

# 2003-2004 Legislative Session Mid-Session Report

ASSEMBLY  
DEMOCRATIC CAUCUS

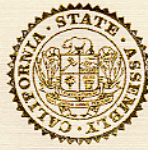
HERB J. WESSON, JR.  
SPEAKER OF THE  
CALIFORNIA STATE ASSEMBLY



Prepared by the  
Speaker's Office of Member Services

October 2003





## HERB J. WESSON, JR.

SPEAKER OF THE CALIFORNIA STATE ASSEMBLY

October 15, 2003

TO: Members of the Assembly Democratic Caucus

FROM: **HERB J. WESSON, Jr.**  
Speaker of the Assembly

RE: Mid-Session Report

Amid the largest budget crisis in California history, and with political upheaval in the form of a recall election in the background, the California State Assembly persisted to do the work the people elected us to do.

This booklet chronicles our achievements in 2003.

At the same time we were holding the line against draconian budget cuts that would have been detrimental to our children, women and seniors, we tackled some of the most difficult problems facing our state: health care, worker's compensation, privacy -- and we were successful.

We passed SB 1 - the toughest privacy law in the country. We delivered a package of workers' compensation reform which is expected to save more than \$4 billion dollars next year. Democrats in the California State Assembly kept their promises to the people of California.

We can also be proud of our efforts in the areas of civil rights, public safety and the environment. And we extended Megan's Law so that our families and children may be safe.

As we prepare to begin the next legislative year, with a new Governor and continuing budget concerns, I thank you for all your hard work for the people of California.

I look forward to working with all of you as we continue to meet the challenges facing all Californians and to do what Californians hired us to do.



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# HIGHLIGHTS

## Children

### **AB 408 (Steinberg) Foster children.**

Strengthens the right of any child 10 years of age or older to be notified of and present at his or her own dependency hearings. Establishes a "prudent parent" standard for foster caregivers in order to allow foster children to engage in age-appropriate social activities such as overnight visits with friends and extracurricular and enrichment activities, without state regulation or policy preventing such participation. Declares legislative intent that no child be emancipated from the foster care system without a connection to a committed and caring adult.

**Last Action:** Chaptered by Secretary of State - Chapter 813, Statutes of 2003.

### **AB 458 (Chu) Foster children: discrimination.**

Prohibits discrimination against foster children on the basis of race, ethnicity, national origin, disability, gender, or sexual preference and adds training on the rights of foster children to the curriculum for licensed foster parents.

**Last Action:** Chaptered by Secretary of State - Chapter 331, Statutes of 2003.

### **AB 1130 (Diaz) County Health Initiatives.**

Appropriates \$89 million from the Child Health Initiative Matching Fund and \$164 million from the Federal Trust Fund to fund county health initiatives, which allow counties to receive matching federal funds to provide health insurance for children in families with incomes from 250% to 300% of the federal poverty level.

**Last Action:** Chaptered by Secretary of State - Chapter 687, Statutes of 2003.

### **AB 1683 (Pavley) Child care facilities: posting violations.**

Requires child care providers to post near a facility's main door reports of licensing violations which if not corrected would create a serious risk to the health, safety or personal rights of children in the provider's care.

**Last Action:** Chaptered by Secretary of State - Chapter 403, Statutes of 2003.

### **AB 1697 (Pavley) Vehicles: child passenger restraint system.**

Requires children under the age of 6 or weighing less than 60 lbs. to be seated in the rear seat in an approved child restraint seat.

**Last Action:** Chaptered by Secretary of State - Chapter 524, Statutes of 2003.

### **SB 947 (Ducheny) Native American foster children.**

Establishes a specific process for identifying children subject to the Indian Child Welfare Act and notifying relatives and the tribe of custody proceedings, gives priority for placement to relatives and allows intervention of the tribe. Expands the role of the tribe in a custody proceeding involving an Indian child, and requires the Department of Social Services to adopt regulations to ensure that the parent of an Indian child who is being voluntarily relinquished for adoption is advised of his or her rights to withdraw consent prior to entry into a final decree.

**Last Action:** Chaptered by Secretary of State - Chapter 469, Statutes of 2003.

## Civil Rights

### **AB 76 (Corbett) Employment discrimination.**

Protects California employees from harassment by clients, customers, and other non-employee third parties of their employer. Amends the Fair Employment and Housing Act (FEHA) to prohibit harassment of an employee in the workplace by a person other than an employee, agent, or supervisor of the employer. Invalidates the appellate court's rulings in Salazar v. Diversified Paratransit, Inc., which held that FEHA does not impose employer liability for harassment of an employee in the workplace by a client, customer or other third party, and thus harmonizes state and federal law regarding harassment by such persons.

**Last Action:** Chaptered by Secretary of State - Chapter 671, Statutes of 2003.

### **AB 196 (Leno) Discrimination: gender.**

Includes gender, as defined, in the definition of sex for purposes of employment and housing discrimination law.

**Last Action:** Chaptered by the Secretary of State - Chapter 164, Statutes of 2003.

### **AB 205 (Goldberg) Domestic partner rights and responsibilities act.**

Enacts the California Domestic Partner Rights and Responsibilities Act of 2003, which recasts the existing Domestic Partnership Act and extends to registered domestic partners substantially all rights, benefits, and obligations of married persons under state law, with the exception of those rights, benefits, and obligations accorded only to married persons by federal law, the California Constitution, or initiative statutes. Requires the Secretary of State to establish fees for the cost of preparing and sending certain mailings and notices.

**Last Action:** Chaptered by the Secretary of State - Chapter 421, Statutes of 2003.

### **AB 703 (Dymally) Racial discrimination: definition.**

Provides a statutory definition of "racial discrimination" that is based on the language used in the International Convention on the Elimination of All Forms of Racial Discrimination, adopted by the United Nations General Assembly, signed by the United States and ratified by the US Senate.

Provides that nothing in Section 31 of Article I of the CA Constitution is to be interpreted as: a) granting an individual a private cause of action to challenge any special measures for the purpose of securing adequate advancement of those racial groups requiring protection, except as to the prohibition on preferential treatment; or, b) requiring the government to prove racial discrimination before undertaking special measures for the purpose of securing adequate advancement of those racial minority groups needing that protection, pursuant to specified provisions of the International Convention.

**Last Action:** Chaptered by the Secretary of State - Chapter 211, Statutes of 2003.

## Consumers

### **AB 1191 (Wiggins) Property insurance: rates: disclosure.**

Requires insurers to provide policyholders with the reasons for the nonrenewal of their homeowner's insurance policies and requires insurers to provide policyholders, upon request, with the reasons for the change in their annual premium.

**Last Action:** Chaptered by Secretary of State - Chapter 571, Statutes of 2003.

### **AB 1329 (Levine) Public Utilities Commission: telecommunications.**

Enacts a telecommunications consumers' bill of rights. Among the enumerated rights are a right to disclosure (rates, charges, terms, conditions, etc.), choice (of products and services), and privacy (protection from unauthorized use of records and personal information).

**Last Action:** Pending in the Senate.

### **AB 1379 (Calderon) Telecommunications: mobile telephone service.**

Requires wireless carriers to provide subscribers with a means to access information on their roaming usage and charges.

**Last Action:** Chaptered by Secretary of State - Chapter 333, Statutes of 2003.

## **Identity Theft**

### **AB 763 (Liu) Privacy: social security numbers.**

Seeks to address identity theft by providing that a social security number that is allowed to be mailed to an individual under existing law, may not be printed, in whole or in part, on a postcard or other mailer not requiring an envelope, or visible on the envelope or without the envelope having been opened.

**Last Action:** Chaptered by the Secretary of State - Chapter 532, Statutes of 2003.

### **AB 1105 (Jackson) Identity theft: limitations period.**

Adds the crimes of identity theft and filing false documents to the list of offenses for which the statute of limitations does not begin to run until discovery of the offense.

**Last Action:** Chaptered by Secretary of State - Chapter 73, Statutes of 2003.

### **AB 1294 (Wiggins) Debt collectors: responsibilities: identity theft.**

Requires debt collectors to cease collection efforts until they review and determine the validity of specified information indicating that the debts they are trying to collect are as a result of identity theft.

**Last Action:** Chaptered by Secretary of State - Chapter 287, Statutes of 2003.

**AB 1773 (Committee on Banking & Finance) Search warrants: identity theft.**

Includes a victim's home county as a place of jurisdiction for the crime of identity theft. Often, in identity theft crimes, a victim's identifying information is neither stolen nor used within their county of residence. The only aspect of the crime that occurs in the victim's county is the receipt of the bills. This measure allows a victim of identity theft to access the judicial system in the county where the victim resides, rather than requiring a victim to travel to different counties where fraudulent transactions may have occurred.

**Last Action:** Chaptered by Secretary of State - Chapter 137, Statutes of 2003.

**SB 602 (Figueroa) Personal information.**

Provides various protections and support for victims of identity theft, including: 1) requiring consumer credit reporting agencies to notify each consumer who has requested that a security alert be placed on their consumer credit report of the expiration date of the alert; 2) establishing a penalty of up to \$2,500 and attorney's fees for a consumer credit reporting agency that recklessly, willfully or intentionally fails to place a security alert on a consumer credit report; and 3) establishing a \$10 limit that a credit reporting agency may charge each time a consumer places, removes or temporarily lifts a freeze on his/her consumer credit report, and a \$12 limit for a temporary lift of a freeze for a specific party.

**Last Action:** Chaptered by Secretary of State - Chapter 533, Statutes of 2003.

**SB 684 (Alpert) Identify theft: application.**

Authorizes a victim of identity theft to obtain information about a fraudulent renewal of a credit account in the victim's name or about additional names added to the account.

**Last Action:** Chaptered by Secretary of State - Chapter 534, Statutes of 2003.

**Privacy**

**AB 68 (Simitian) Online Privacy Protection Act of 2003.**

Requires the operator of a web site that collects personally identifiable information to conspicuously post a privacy policy on the web site and comply with that policy. Requires the policy to identify, at a minimum, the categories of information collected and how that information may be shared. The bill becomes operative July 1, 2004.

**Last Action:** Chaptered by Secretary of State - Chapter 829, Statutes of 2003.

**AB 715 (Chan) Patient and provider privacy.**

Applies to the marketing of medical information provisions of current law that prohibit any health care provider, health care service plan, contractor, or corporation from intentionally sharing, selling, or otherwise using any medical information for any purpose not necessary to provide health care services to the patient, except as authorized by the patient. Also prohibits a health care provider, pharmacy, health care service plan or contractor from being remunerated for providing information or data relating to a prescription if it includes identifiable information concerning the prescribing physician.

**Last Action:** Chaptered by Secretary of State - Chapter 562, Statutes of 2003.



**SB 1 (Speier) Privacy: nonpublic personal information: financial institutions.**

Creates the California Financial Privacy Information Act, which limits a financial institution's ability to share a consumer's nonpublic personal information by allowing them to share this information with third parties only after the consumer "opts-in" or consents to the sharing. Also enables consumers to generally prohibit information sharing with the institution's affiliated companies or non-affiliated financial institutions, specifies conditions under which personal information must be released, and provides civil penalties for the willful or negligent violation of the bill's provisions.

**Last Action:** Chaptered by Secretary of State - Chapter 241, Statutes of 2003.

**SB 25 (Bowen) Personal information: security.**

Requires any person who uses a consumer credit report in connection with a credit approval, or with the purchase, lease, or rental of goods or services, to take reasonable steps to verify the consumer's identity if notified that the consumer has placed a security alert in his or her credit report. Also provides that if a consumer has placed a statement in his or her report requesting that identity be verified by calling a specified number, the consumer must be contacted at that number prior to the extension of credit. Finally, extends to public agencies certain restrictions on the posting, printing or displaying of individual social security which currently apply to only private companies.

**Last Action:** Chaptered by Secretary of State - Chapter 907, Statutes of 2003.

**SB 186 (Murray) Privacy: unsolicited commercial e-mail advertising.**

Clarifies current law and creates avenues to sue advertisers for unsolicited e-mail ("spam"). Also creates a cause of action for the consumer, the e-mail service provider, or the Attorney General, to sue for violations of the bill's restrictions and prohibitions. Specifically, it (1) prohibits a California advertiser from sending unsolicited e-mail advertisements to a California e-mail address; (2) permits plaintiffs to seek damages of \$1,000 per advertisement and up to \$1 million per incident; and (3) under certain circumstances, reduces these damages to a maximum of \$100 per advertisement or a maximum of \$100,000 per incident.

**Last Action:** Chaptered by Secretary of State - Chapter 487, Statutes of 2003.

## **Education**

**AB 52 (Simitian) Supplemental instruction.**

Extends supplemental instruction programs to allow school districts to continue to provide supplemental instruction to pupils in grades 2-9 who are at risk of retention.

**Last Action:** Vetoed.

**AB 833 (Steinberg) Sex equity in education: athletics.**

Sets forth standards through which to determine whether an educational institution has effectively accommodated the interests and abilities of both sexes in athletics. Prohibits the use of public funds in connection with an athletic program of a public postsecondary education institution that does not provide equivalent opportunity to both sexes for participation and use of facilities.

**Last Action:** Chaptered by Secretary of State - Chapter 660, Statutes of 2003.

**AB 933 (Reyes) Law enforcement officers: special death benefits.**

Allows stepchildren of law enforcement officers or firefighters who are slain in the line of duty to be eligible for benefits that all other surviving children - natural or adopted - are currently eligible to receive. Allows stepchildren of law enforcement officers or firefighters who are slain in the line of duty to be exempt from the payment of systemwide fees or tuition at the University of California and the California State University, as long as this step child had a regular parent-child relationship with the deceased person at the time of his or her death. Applies retroactively to survivors of a deceased person who dies or is killed in the line of duty on or after January 1, 2001.

**Last Action:** Chaptered by Secretary of State - Chapter 840, Statutes of 2003.

**AB 1137 (Reyes) Charter schools.**

Makes numerous changes regarding charter school administration and oversight to bring charter schools more in line with the original intent of the Charter Schools Act of 1992 of holding charter schools accountable for meeting measurable pupil outcomes and providing charter schools with a method to change from rule-based to performance-based accountability systems. Specifically, it repeals the sunset on the charter school general purpose block grant, specifies several oversight duties of each chartering authority and establishes criteria for renewal.

**Last Action:** Chaptered by Secretary of State - Chapter 892, Statutes of 2003.

**AB 1241 (Parra) Nursing education scholarships.**

Requires the Office of Statewide Health Planning and Development until January 1, 2009, to establish a nursing education scholarship program to assist central valley students. The Office of Statewide Health Planning and Development shall allocate a portion of the funds contained in the Registered Nurse Education Fund for purposes of providing scholarships to nursing students accepted to, or enrolled in, associate degree nursing programs at community colleges in California. A recipient shall be required to complete, at a minimum, an associate degree in nursing and either work in a medically underserved area in California upon obtaining his or her degree or obtain a license from the Board of Registered Nursing. Scholarships shall be targeted to students in the central valley counties of Fresno, Kern, Kings, Madera, Merced, and Tulare.

**Last Action:** Chaptered by Secretary of State - Chapter 396, Statutes of 2003.

**AB 1485 (Firebaugh) English learners: academic assessment.**

Authorizes bilingual classrooms to use primary language materials in alternate formats adopted by the State Board of Education (SBE) for purposes of participating in the Reading First program and requires the SBE to amend California's Reading First Plan to specify the priority in which funds available in the 2003-04 fiscal year will be allocated. This bill also specifies, commencing in the 2004-05 fiscal year, that each school district, charter school, and county office of education administer the STAR achievement test to each of its pupils in grades three and eight, rather than to all pupils in grades two to 11 as required by existing law.

**Last Action:** Chaptered by Secretary of State - Chapter 773, Statutes of 2003.

**SB 556 (Sher) Class size.**

Requires a schoolsite to select the grade level or levels to reduced should it participate in the Class Size Reduction (CSR) Program and give priority to those level(s). Establishes a sliding penalty scale for exceeding the maximum class size in the CSR Program (as opposed to current law whereby CSR funding is completely forfeited if the maximum class size is exceeded). Allows school districts to use deferred maintenance funds for the 2003-04 fiscal year to supplement class size reduction.

**Last Action:** Vetoed.

**SB 677 (Ortiz) The California Childhood Obesity Prevention Act.**

Enacts the California Childhood Obesity Prevention Act, prohibiting the sale of carbonated beverages to pupils in elementary school, commencing July 1, 2004. It also provides that beverages other than water, milk, 100% fruit juices, or fruit-based drinks composed of no less than 50% fruit juice and without added sweeteners, may not be sold at an elementary, middle or junior high school. Excepted from the general prohibition are certain school events such as fundraisers and athletic events.

**Last Action:** Chaptered by Secretary of State - Chapter 415, Statutes of 2003.

## **Environment**

**AB 16 (Jackson) Oil and gas development: pipelines.**

Requires that all oil produced offshore in new or expanded oil extractions be transported onshore by pipeline only, and that all pipelines used to transport this oil onshore utilize the best achievable technology to ensure maximum protection of public health and safety and of the integrity and productivity of terrestrial and marine ecosystem.

**Last Action:** Chaptered by Secretary of State - Chapter 420, Statutes of 2003.

**AB 28 (Jackson and Pavley) Public resources: recycling, beverage containers.**

Makes a number of structural changes to the bottle bill, including increasing the California Redemption Value (CRV) to 5 cents, increasing funding of market development programs for recycled plastics, decreasing the amount of money paid by beverage manufacturers and authorizes a pilot program of potentially more cost effective recycling programs for consumers.

**Last Action:** Chaptered by Secretary of State - Chapter 753, Statutes of 2003.

**AB 121 (Simitian, Nakano and Laird) Cruise ships: sewage sludge and bilgewater.**

Prohibits cruise ships from discharging sewage sludge and oily bilgewater into state waters and national marine sanctuaries along the state's coast.

**Last Action:** Chaptered by Secretary of State - Chapter 488, Statutes of 2003.

**AB 514 (Kehoe) Water meters.**

Requires urban water suppliers that receive water from the federal Central Valley Project to install water meters on all service connections by March 2013.

**Last Action:** Chaptered by Secretary of State - Chapter 680, Statutes of 2003.

**AB 859 (Nakano) Ballona Wetlands: acquisition and protection.**

Reappropriates \$25 million of Proposition 12 (Villaraigosa-Keeley Act) Bond funds to the State Coastal Conservancy in order to acquire, protect, and restore the Ballona Wetlands.

**Last Action:** Chaptered by Secretary of State - Chapter 761, Statutes of 2003.



**AB 1492 (Laird) Agricultural land conservation.**

Amends current provisions of the Williamson Act by creating a new procedure for identifying contract breaches; providing an alternative method for removing land from contract restrictions; and extending the sunset on Williamson Act lot-line adjustments from 2004 to 2009. Specifically, makes the construction of a new non-agricultural structure, on land subject to a Williamson Act contract, a breach of the contract if the structure is commercial, industrial, or residential structure and is at least 2,500 square feet.

**Last Action:** Chaptered by Secretary of State - Chapter 694, Statutes of 2003.

**SB 20 (Sher) Solid waste: hazardous electronic waste.**

Enacts the Electronic Waste Recycling Act of 2003 to provide for the convenient recycling of electronic devices in California. The devices covered by the measure include cathode ray tubes, cathode ray tube devices, flat panel screens, or other video display devices with a screen size that is greater than four inches in size measured diagonally and which, when discarded or disposed, would be a hazardous waste under regulations set by DTSC. On and after July 1, 2004, the bill imposes an electronic waste recycling fee between \$6 and \$10 (depending on the size of the electronic device) upon the purchase of an electronic device from a retailer.

**Last Action:** Chaptered by Secretary of State - Chapter 526, Statutes of 2003.

**SB 288 (Sher) Air quality: Protect California Air Act of 2003: South Coast Air Quality Management District: air pollution control fees.**

Ensures that, to the extent that federal standards are decreased, this state must maintain its air quality standards in at least as good a position as they existed prior to 12-30-02. Specifically, prohibits an air district from amending or revising its new source review program to cover fewer or modified pollution sources than under the district's new source review program as it existed December 30, 2002, or to amend or revise its new source review program so that any rule or regulation is less stringent for the protection of air quality than the rules and regulations as they existed on that date. Extends until January 1, 2010 the authority of the South Coast Air Quality Management District to impose a \$1 fee on the renewal of registration of any motor vehicle in the district, and requires the district to utilize the revenues generated by the imposition of that fee to reduce air pollution from motor vehicles through the implementation of a clean-burning fuel program.

**Last Action:** Chaptered by Secretary of State - Chapter 476, Statutes of 2003.

**SB 317 (Kuehl) Quantification Settlement Agreement (QSA).**

Authorizes, under certain conditions, the "take" of fully protected species in connection with projects that implement the QSA.

**Last Action:** Chaptered by Secretary of State - Chapter 612, Statutes of 2003.

**SB 331 (Romero) Toxic injuries: limitation of actions.**

Codifies the doctrine of "delayed discovery" as it applies to the statute of limitations for filing a lawsuit for illness, injury or death caused by exposure to a hazardous material or toxic substance. Specifically provides: 1) a plaintiff must bring an action no later than either two years from the date of injury or two years after the plaintiff became aware of or reasonably should have become aware of an injury; 2) that media reports regarding the hazardous material or toxic substance contamination do not, in and of themselves, constitute sufficient facts to put a reasonable person on inquiry notice that the injury or death was caused or contributed to by the wrongful act of another; and 3) that this bill does not apply to actions relating to illness or injury caused by exposure to asbestos and does not apply to medical malpractice actions subject to the Medical Injury Compensation Reform Act.

**Last Action:** Chaptered by Secretary of State - Chapter 873, Statutes of 2003.

**SB 654 (Machado) Quantification Settlement Agreement.**

Authorizes the Department of Fish and Game to enter into a joint powers agreement with the Coachella Valley Water District, the Imperial Irrigation District and the San Diego County Water Authority, to implement the QSA.

**Last Action:** Chaptered by Secretary of State - Chapter 613, Statutes of 2003.

**SB 656 (Sher) Air quality: particulate matter.**

Establishes timelines and requirements for the California Air Resources Board (ARB) and local air pollution control districts to reduce particulate matter (PM) emissions from diesel powered engines used in stationary and mobile source applications. Authorizes a district to exempt a stationary source from a control measure if the district determines the source is acting to achieve those emission reductions through an approved incentive or emission reduction program.

**Last Action:** Chaptered by Secretary of State - Chapter 738, Statutes of 2003.

**SB 700 (Florez) Air quality: emissions: stationary sources: agricultural operations.**

Eliminates the current particulate matter air permit exemptions for agriculture. Requires, by January 1, 2006, each air district in a "serious" federal nonattainment area for particulate matter to adopt and implement best available control measures for agricultural stationary sources of air pollution. Directs the California Pollution Control Financing Authority to assist in the funding of air pollution control equipment. Requires, by January 1, 2005, the state Air Resources Control Board to review all available scientific information and develop a definition of a "large confined animal facility." Requires, not later than January 1, 2006, each district that is designated as a federal nonattainment area for ozone as of January 1, 2004, to require the owner of a large confined animal facility, to obtain a permit from the district to reduce, to the maximum extent feasible, emissions of air contaminants from the facility.

**Last Action:** Chaptered by Secretary of State - Chapter 479, Statutes of 2003.

## Health

### **AB 923 (Firebaugh) State taxes: health care.**

Provides tax credits to agricultural employers who provide health insurance to their agricultural employees. The bill is funded by repealing selected agricultural sales and use tax exemptions enacted during the last several years, including farm production equipment and machinery, diesel fuel for use in farming activities, racehorse breeding stock, etc. However, the bill includes a sales and use tax exemption for qualified persons, defined as \$250,000 or less in gross receipts from the sale of agricultural products in a calendar year, for the purchase of farm equipment, machinery, and diesel fuel. It also provides a one-year sales and use tax exemption for purchase of farm tractors used primarily in producing and harvesting agricultural products.

**Last Action:** Pending in the Senate.

### **AB 948 (Nunez) Access to care: non-citizen physicians.**

Permits non-citizen physicians to participate in a fellowship program in a medical specialty or subspecialty field if approved by the Medical Board of California, if the program is in a clinic or hospital in a medically underserved area. Fellows must be under the direction and supervision of a physician and surgeon who is a specialist in the field in which the fellow is to be trained. Defines a "medically underserved area" to mean a federally designated Medically Underserved Area, a federally designated Health Professional Shortage Area, and any other clinic or hospital determined by MBC to be medically underserved.

**Last Action:** Chaptered by Secretary of State - Chapter 438, Statutes of 2003.

### **AB 1286 (Frommer) Continuity of care.**

Revises and expands existing "continuity of care" requirements on health care service plans to ensure completion of a patient's treatment when the patient's health care provider is no longer contracting with the patient's plan.

**Last Action:** Chaptered by Secretary of State - Chapter 591, Statutes of 2003.

### **AB 1528 (Cohn) Health Care Quality Improvement and Cost Containment Commission.**

Requires the Governor to convene the California Health Care Quality Improvement and Cost Containment Commission to research and recommend appropriate and timely strategies for improving health care quality and containing health care costs. Requires the commission to issue to the Legislature and the Governor by January 1, 2005, a report and recommendations for cost containment.

**Last Action:** Chaptered by Secretary of State - Chapter 672, Statutes of 2003.

### **AB 1627 (Frommer) Hospital charges.**

Requires each hospital to make public its chargemaster, which is the sticker price for a good or service furnished by the hospital. Requires hospitals to file their chargemasters with the Office of Statewide Health Planning and Development. Requires each hospital to make available to patients certain information about charges for common services or procedures.

**Last Action:** Chaptered by Secretary of State - Chapter 582, Statutes of 2003.



**SB 2 (Burton) Mandatory employer-based health care insurance.**

Enacts the Health Insurance Act of 2003, requiring employers to pay a fee to provide health coverage to uninsured workers through a statewide purchasing pool. Waives the fee for small employers and employers who provide coverage. Effective January 1, 2006 applies to employers with 200 or more employees. Effective January 1, 2007 applies to employers with 50 or more employees. Effective January 1, 2007 applies to employers with 20 to 49 employees, if a tax credit for those employers is enacted. Includes dependent coverage for employees of employers with 200 or more employees.

**Last Action:** Chaptered by Secretary of State - Chapter 673, Statutes of 2003.

**SB 582 (Speier) Ephedrine ban.**

Prohibits the sale or distribution of any dietary supplement product containing ephedrine group alkaloids.

**Last Action:** Chaptered by Secretary of State - Chapter 903, Statutes of 2003.

## **Public Safety**

**AB 45 (Simitian) Vehicles.**

Makes it an infraction, effective January 1, 2005, to drive a motor vehicle while using a wireless telephone, unless that telephone is designed and configured to allow hands-free operation, and is used in that manner while driving.

**Last Action:** Pending in the Senate.

**AB 626 (Liu) Vehicles: 15-passenger vans.**

Prohibits all school districts, the California Community Colleges, and the California State University from allowing the operation of 15-passenger vans unless driven by persons holding a Class B commercial license.

**Last Action:** Chaptered by Secretary of State - Chapter 559, Statutes of 2003.

**AB 50 (Koretz) .50 Caliber BMG rifles.**

Adds the .50 caliber BMG rifle to the list of dangerous weapons and creates new felonies for the manufacture and sale or possession without a permit of this firearm.

**Last Action:** Pending in the Senate.

**AB 898 (Chu) DNA evidence: Sexual Assault Victims' DNA Bill of Rights.**

Enacts the Sexual Assault Victims DNA Bill of Rights, which includes the following provisions: (1) law enforcement is required to inform victims of sexual assault if they intend to not analyze DNA evidence within the statute of limitations; (2) law enforcement is required to inform victims of sexual assault if they intend to destroy or dispose of rape kit or other crime scene evidence prior to the expiration of the statute of limitations; (3) authorize but not require law enforcement to inform interested sexual assault victims of the status of DNA evidence testing, as specified; and (4) enumerate specified rights for sexual assault victims "subject to the availability of local resources.

**Last Action:** Chaptered by Secretary of State - Chapter 537, Statutes of 2003.

**AB 1301 (Simitian) Alcoholic beverages and controlled substances: minors.**

Makes it a misdemeanor for a parent or legal guardian who knowingly permits his or her child, or a person in the company of the child, who are under the age of 18 years, to consume an alcoholic beverage or use a controlled substance at the home of the parent or legal guardian if specified conditions are met

**Last Action:** Chaptered by Secretary of State - Chapter 625, Statutes of 2003.

**AB 1313 (Parra) Sex offenders.**

Extends the current sunset on Megan's Law to January 1, 2007. Authorizes campus police to release printed information regarding the presence of a registered sex offender on campus and sex offender registration information to members of the campus community.

**Last Action:** Chaptered by Secretary of State - Chapter 634, Statutes of 2003.

**AB 1383 (Wesson) Peace officers: training and counseling.**

Requires the Commission on Peace Officer Standards and Training (POST) to provide training materials on racial and cultural trends to law enforcement agencies. Requires the topics of anger management, frustration tolerance, and information regarding past damage awards for peace officer abuse cases be incorporated by POST into existing training courses. Provides that every person who becomes a peace officer on or after January 1, 2004, and who is employed by a local law enforcement agency is entitled to consult with an independent licensed mental health provider on a one-time, one-visit basis, once every 4 years, at agency expense.

**Last Action:** Pending in the Senate.

## **Workers' Compensation**

**AB 227 (Vargas) Omnibus workers' compensation reform.**

Makes the following reforms in workers' compensation: (1) requires the Division of Workers' Compensation to be funded by employers; (2) repeals the vocational rehabilitation mandate and creates, instead, a new supplemental job displacement benefit for injuries occurring after December 31; (3) relieves an employer of liability for the supplemental job displacement benefit if, within 30 days of the end of temporary disability, the employee does not take the employer's offer of modified or alternative work; (4) authorizes the California Infrastructure and Economic Development Bank to issue up to \$1.5 billion in bonds at any one time to generate funds for the California Insurance Guarantee Association (CIGA) to borrow; (5) increases from \$50,000 to \$150,000 the maximum fine for fraud; (6) expands the definition of "insolvency" to also include the inability of an insurer to meet its financial obligations when due; (7) exempts CIGA from 5,814 penalties and attorney's fee awards; and (8) requires the Department of Insurance's web site to include a worker's compensation insurance rate comparison guide of the 50 insurance companies writing the most policies during the two preceding years.

**Last Action:** Chaptered by Secretary of State - Chapter 635, Statutes of 2003.

**SB 228 (Alarcon) Omnibus workers' compensation reform: health care cost control.**

Makes, among others, the following changes in workers' compensation related to medical costs control: (1) requires medical providers to pay a \$100 fee when filing a lien with the Workers' Compensation Appeals Board, to be used to off-set user funding requirements imposed on employers; (2) repeals the treater's presumption of correctness for medical care for dates of injury, (4) establishes a Medicare-based medical fee schedule; (5) limits chiropractic and physical therapy services to 24 visits; (6) requires a study of utilization guidelines by the Division of Workers' Compensation (DWC), mandates adoption of those guidelines, and attaches a presumption of correctness to them; (7) requires employers to adopt utilization review systems consistent with the American College of Occupational and Environmental Medicine Occupational Medical Practice Guidelines; (8) allows self-referral to an outpatient surgery center where the provider discloses the financial relationship to the employer and the employer pre-authorizes treatment at the center; (9) repeals the aerospace and timber carve-out, but establishes a new carve-out program in any industry except construction; (10) clarifies that all workers' compensation prescription drugs must be generic, unless a brand name has been specifically prescribed; (11) creates a new pharmaceutical fee schedule at 100% of Medi-cal, and a new outpatient facility fee schedule based on Medicare; and (13) reduces rates for physician services.

**Last Action:** Chaptered by Secretary of State - Chapter 639, Statutes of 2003.

**AB 149 (Cohn) Workers' compensation: asbestosis.**

Extends the statute of limitations on claims for workers' compensation death benefits in the case of firefighters who died of asbestosis.

**Last Action:** Chaptered by Secretary of State - Chapter 831, Statutes of 2003.

**AB 1099 (Negrete-McLeod) Insurance: fraud: information.**

Includes the Employment Development Department (EDD) among agencies authorized to request and receive information from insurers relevant to workers' compensation fraud investigations. Permits insurers to notify the EDD when they know, or reasonably believe they know the identity of a person or entity that has committed workers' compensation fraud.

**Last Action:** Chaptered by Secretary of State - Chapter 636, Statutes of 2003.

**AB 1262 (Matthews) Workers' compensation insurance: claims adjusters.**

Requires every insurer admitted to transact workers' compensation insurance to certify to the Insurance Commissioner that the insurer's employees meet minimum standards of training, experience, and skills in lawfully performing workers' compensation claims practices. Also requires every worker's compensation insurer that contracts with a separate entity to review or adjust medical bills to certify that the entity meets minimum standards of training, experience, and skills.

**Last Action:** Chaptered by Secretary of State - Chapter 637, Statutes of 2003.

**SB 1007 (Speier) Workers' compensation: insurance policies.**

Expands the definition of "common trade or business" for the purposes of association or trade group workers' compensation insurance policies to include manufacturing facilities as identified in the North American Industry Classification System.

**Last Action:** Chaptered by Secretary of State - Chapter 641, Statutes of 2003.



## **Working Families**

### **AB 290 (Firebaugh) Classified employees: notice of layoff.**

Requires school and community college districts to provide classified school employees with 45 days notice of layoff and to require short-term employees to be given layoff notices before permanent classified employees are laid off.

**Last Action:** Chaptered by Secretary of State - Chapter 880, Statutes of 2003.

### **AB 1093 (Lieber) Living wage.**

Enacts the "California Living Wage Act" to require the state and qualified contractors and subcontractors to pay not less than a living wage, as defined, to all employees performing work under qualified contracts.

**Last Action:** Vetoed.

### **AB 1133 (Koretz) Satisfaction of judgments.**

Establishes a penalty equal to the amount of the original judgment for employers that fail to pay wage and hour judgments for more than six months after the judgment has been made final and the time to appeal has lapsed. The penalty would be applied no more than four times.

**Last Action:** Vetoed.

### **AB 1688 (Goldberg) Car wash: regulation.**

Establishes a system to regulate the employment of workers in the car washing and polishing industry that would include an annual employer registration fee and the establishment of a Car Wash Worker Restitution Fund to reimburse employees for unpaid wages, penalties and other related damages.

**Last Action:** Chaptered by Secretary of State - Chapter 825, Statutes of 2003.

### **SB 578 (Alarcón) Public contracts: sweatshop labor.**

Expands existing law to prohibit contracts involving state agencies that utilize sweatshop labor. Expands existing law to cover domestic-made or laundered goods or services. Prohibits contracting between state agencies and any contractor that does not satisfy the requirements of an enumerated "Sweatfree Code of Conduct."

**Last Action:** Chaptered by the Secretary of State, Chapter 711, Statutes of 2003.

### **SB 777 (Escutia) Whistleblowers.**

Provides additional "whistleblower" protections for refusal to perform unlawful conduct and for an employee's acts on a previous job. Requires the State Attorney General to maintain a whistleblower hotline for corporate crime and regulatory misconduct and to refer calls to the appropriate investigative or regulatory agency.

**Last Action:** Chaptered by the Secretary of State, Chapter 484, Statutes of 2003.

## **Landlord - Tenant**

### **AB 647 (Nunez) Tenancy: code violations: penalties.**

Penalizes a landlord who is renting a dwelling unit that is substandard or in violation of habitability requirements, and who has failed to make repairs after being notified by a housing official of the defects. Makes the landlord liable for up to \$5,000 in special damages (instead of \$1,000) for a violation.

**Last Action:** Chaptered by the Secretary of State - Chapter 109, Statutes of 2003.

### **AB 1059 (Lieber) Landlord and tenant: menacing and retaliatory acts.**

Subjects a landlord to a civil penalty of up to \$2,000 if the landlord commits certain unlawful acts for the purpose of influencing a tenant to vacate a rental dwelling. Increases the punitive damages awardable against a landlord for malicious, fraudulent or oppressive retaliatory actions to a maximum of \$2,000 (from the current \$1,000 level).

**Last Action:** Chaptered by the Secretary of State - Chapter 542, Statutes of 2003.

### **SB 90 (Torlakson) Tenancy: security deposits.**

Establishes specific methods and timeframes for a landlord to satisfy his or her obligation to return any unused security deposit to the former tenant and to provide an accounting of any amount that is used.

**Last Action:** Chaptered by the Secretary of State - Chapter 335, Statutes of 2003.

### **SB 345 (Kuehl) Tenants: evictions.**

Provides tenants with several new protections that seek to ensure that tenants who have prevailed in an eviction action are protected from any potential unfair denial of housing by sealing the court records of these actions. This bill also seeks to ensure that tenants, who are often pro per, are better able to defend themselves in an eviction action and aims to gather additional data concerning terminations of tenancies of domestic violence victims in public housing authority units.

**Last Action:** Chaptered by the Secretary of State - Chapter 787, Statutes of 2003.

# **AGING & LONG-TERM CARE**

**Honorable Lynn Daucher, Chair**

The Assembly Committee on Aging continued its focus on improving various aspects of long-term care programs. Programs that were improved by legislation this year included Adult Day Health Care, Residential Care Facilities for the Elderly, Continuing Care Retirement Communities, and skilled nursing facilities.

Key bills that the committee considered during the first year of the 2003-04 Legislative Session.

**AB 414 (Nakano) Residential care facilities for the elderly: administrator certification program: training.**

Allows up to 20 hours of the 40 hours of continuing education required every two years to renew a certificate for an administrator of an residential care facility for the elderly to be completed through online courses.

**Last Action:** Chaptered by Secretary of State - Chapter 305, Statutes of 2003.

**AB 798 (Committee on Aging and Long-Term Care) Medi-Cal: all-inclusive care for the elderly.**

Establishes Programs of All-Inclusive Care for the Elderly (PACE) services as a covered Medi-Cal, subject to utilization controls and federal approval. Authorizes the Department of Health Services to enter into contracts with up to 10 PACE organizations to provide services under the PACE program.

**Last Action:** Chaptered by Secretary of State - Chapter 112, Statutes of 2003.

**AB 1166 (Berg) Residential facilities: terminally ill persons.**

Allows terminally ill patients receiving hospice services to remain in an Adult Residential Facility (ARF) under specified conditions, and authorizes ARF and Residential Care Facilities for the Elderly (RCFE) to call a hospice team rather than emergency medical services (911) when a terminally ill patient faces a life-threatening emergency. Allows a person who has been diagnosed as terminally ill to become a resident of the facility if that person is already receiving hospice services and would continue to receive hospice services without disruption, when certain conditions are met.

**Last Action:** Chaptered by Secretary of State - Chapter 312, Statutes of 2003.

**SB 428 (Perata) Adult day health care.**

Repeals the current license and renewal fee of \$517 for adult day health care centers, and instead, beginning January 1, 2004, establishes an increased application fee of \$5,000 for a new license. The fee for renewing a license would increase to \$20 times the capacity of the facility. Requires the California Department of Aging to establish an adult day health care pre-application process for initial licensure and certification as a Medi-Cal provider. The fee revenues are to be used to implement the pre-application process required under the bill and other services and activities.

**Last Action:** Vetoed.

# **AGRICULTURE**

## **Honorable Barbara S. Matthews, Chair**

During the 2003-04 Legislative Session, under the leadership of Chairperson Barbara S. Matthews, the Committee on Agriculture considered a broad range of issues, including commodity production, plant and animal disease, pest control and eradication, agricultural land conservation, advisory boards and commissions, fairs, pesticides, and related state entities.

The Chair of the committee is committed to ensuring that the Assembly's legislative policies assist California's agricultural community in combating current and future challenges. Maintaining adequate funding for state programs vital to the industry is also a priority. Early in the budget cycle, the chair co-sponsored with the Budget Subcommittee on Resources and the Committee on Environmental Safety and Toxic Materials a joint hearing to review the Department of Pesticide Regulations' funding. The chair also participated in the Budget Subcommittee hearings on the Department of Food and Agriculture's budget.

The following are some of the issues affecting the agricultural industry in California.

### **Agricultural Land Preservation**

California agriculture needs viable agricultural land to produce a food supply for an ever-increasing population. The conversion of farmland for non-agricultural purposes is occurring at an accelerated rate. During the first year of the 2003-04 Legislative Session, the chair and committee members worked tirelessly with the industry, environmentalists and other interested parties to restore funding for the Williamson Act -- California's premier land protection program for almost four decades.

### **Plant and Animal Health**

Plant and animal health is not simply a matter of providing a safe food supply, but in some cases, it is a matter of protecting the health and safety of the citizens of the state. During the 2003 Legislative Session the Chair and Committee were briefed on three potential health issues: Bovine tuberculosis, Exotic Newcastle Disease and the West Nile Virus. Despite state budget challenges, the chair and committee support funding for monitoring, detection, and eradication efforts to combat diseases that could adversely affect plant and animal health.

### **State Budget**

The current budget deficit is impacting many agricultural programs the operating budgets of which rely on state funds. These include pest and disease detection and eradication, state and local enforcement and inspection efforts, county agricultural commissioner activities, University of California cooperative extensions, and other various sustainable agriculture programs and special projects. As we prepare for another challenging budget year we must assess the current and future economic impact of this year's budget cuts on California's agricultural activities and production.

Bills the committee considered in 2003 include the following:

**AB 776 (Matthews) Agriculture.**

Makes several technical and substantive changes to current Department of Food and Agriculture regulations, including, renaming the Milk and Dairy Foods Control Branch the Milk and Dairy Food Safety Branch, amending regulations regarding the showing, exhibiting and selling of horses given enhancement medication, clarifying the registration fee schedule paid by organic producers and the provisions by which payments are made from the Milk Producers Security Trust Fund.

**Last Action:** Chaptered by Secretary of State - Chapter 726, Statutes of 2003.

**AB 1069 (Committee on Agriculture) Eggs.**

Requires out-of-state egg handlers and producers selling eggs to register with the California Department of Food and Agriculture (CDFA) and pay a fee on the eggs sold. Establishes assessments on payments not made by the date established by the CDFA to be triple the amount otherwise due or \$500, whichever is greater.

**Last Action:** Chaptered by Secretary of State - Chapter 283, Statutes of 2003.

**AB 1117 (Matthews/Cogdill) Grazing lands: federal grazing fees.**

Requires the State Controller to pay federal grazing fee revenues to counties under the same manner and basis as officially established by the United States Secretary of the Interior.

**Last Action:** Chaptered by Secretary of State - Chapter 131, Statutes of 2003.

**AB 1304 (Committee on Agriculture) Cooperative bargaining associations: conciliation.**

Modifies the structure of the conciliation process available to help resolve disputes between farmers' collective bargaining associations and processors of their goods.

**Last Action:** Chaptered by Secretary of State - Chapter 145, Statutes of 2003.

**AB 1492 (Laird) Agricultural land conservation.**

Amends the Williamson Act by creating a new procedure for identifying contract breaches; providing an alternative method for removing land from contract restrictions, and extending from 2004 to 2009 the sunset on Williamson Act lot-line adjustments. Specifically, makes the construction of a new non-agricultural structure which is on land subject to a Williamson Act contract, a breach of the contract, if the structure is commercial, industrial, or residential structure and is at least 2,500 square feet.

**Last Action:** Chaptered by Secretary of State - Chapter 694, Statutes of 2003.

**AB 1724 (Committee on Agriculture) Pesticides.**

Clarifies current provisions regarding requirements to operate as a pest control business, clarifies the existing process through which violations of pesticide laws are prosecuted, and establishes penalties for violation of specified structural fumigation laws.

**Last Action:** Chaptered by Secretary of State - Chapter 366, Statutes of 2003.



# **ARTS, ENTERTAINMENT, SPORTS, TOURISM & INTERNET MEDIA**

**Honorable Rebecca Cohn, Chair**

Under the strong leadership of the chair, Assemblymember Rebecca Cohn, the Assembly Committee on Arts, Entertainment, Sports, Tourism and Internet Media continued its focus on strengthening California's culture industries. Examples of issues the committee explored this year include: preventing sports violence, promoting boxing, appropriating funds from Proposition 40 for cultural arts, preserving cultural and state park reserves in California, and preventing the piracy of film and music.

Recognizing that the entertainment industry is an economic engine for California, the committee continued its focus on the piracy of film and music. Many perceive piracy as an offense only against large recording companies and artists. However, it has a tremendous impact on the livelihoods of distributors, wholesalers, retailers, and others who support the film and recording industries. These employees, and the State of California, rely heavily on the economic vitality of the entertainment industry.

The budget plan unveiled by the Governor in January called for the elimination of the Division of Tourism and state funding for the California Tourism and Travel Commission. In response, the committee held an informational hearing to explore the role of tourism in California's economy, the impact of budget cuts to marketing efforts, how the cuts would affect jobs and visitors to California, and the benefits of tourism to the local and state economy.

The committee delved into the sport of mixed martial arts (MMA). This combat sport combines various martial arts techniques including boxing, wrestling and kickboxing. The impetus for the hearing was the increasing popularity of the sport especially on Native American lands where it is unclear whether safety measures exist to protect players from potential injuries. The hearing provided an overview of the sport, inquired into the potential injuries that may be associated with the sport, how other states are regulating the sport, as well as the economic benefits of sanctioning MMA in the state. Examination of MMA will continue next session and legislation regarding the sport will likely be introduced.

The committee also tackled the growing issue of hostile fan behavior at athletic events. The committee heard many reports of "sideline rage" at youth events where altercations between parents and coaches are becoming commonplace. At professional athletic events the numbers of fans entering or throwing objects into the field of play are increasing. These acts not only interrupt often high-stakes competitions but jeopardize the safety of the athletes. The committee observed that society has a tendency to treat sports violence differently from violence and aggression that occurs elsewhere and believed that specific statutes may be helpful as a deterrent.

Following are some of the significant bills considered by the committee this year:

**AB 59 (Dymally) California Commission for the Preservation of African-American History, Culture, and Institutions.**

Establishes the California Commission for the Preservation of African-American History, Culture, and Institutions in state government, to consist of a specified membership, and to be headquartered in the California African-American Museum.

**Last Action:** Pending in the Senate.

**AB 245 (Cohn) Crimes: professional sporting events.**

Creates an infraction for individuals at professional sporting events who throw any object on or across the court or field of play with the intent to interfere with or distract a player and for individuals at sporting events who enter upon the court or field of play without permission from an authorized person.

**Last Action:** Chaptered by the Secretary of State - Chapter 818, Statutes of 2003.

**AB 259 (Calderon) Battery: anger management.**

Specifies that a person who commits a battery immediately prior to, during, or immediately following an organized amateur or professional athletic contest against any person attending or participating in that contest shall be punishable by imprisonment in a county jail not exceeding 6 months, or by a fine not exceeding \$2,000, or by both fine and imprisonment. Those penalties apply only if the person committing the battery knows or reasonably should know that the victim is a person attending or participating in the athletic contest. It also authorizes the court to order the person to attend up to 12 hours of anger management counseling at the person's expense.

**Last Action:** Pending in the Senate.

**AB 287 (Firebaugh) Tourism: marketing plan.**

Requires the California Travel and Tourism Commission to make recommendations by July 1, 2005 regarding an implementation strategy and timeline for revision of the annual marketing plan to include promotion of the state's artistic, cultural and ethnic resources.

**Last Action:** Chaptered by Secretary of State - Chapter 204, Statutes of 2003.

**AB 1074 (Chavez) Boxers: MRI examinations.**

Requires that a magnetic resonance imaging (MRI) examination be performed within 24 hours on a contestant in a professional boxing match who is rendered unconscious. The MRI results and the written opinion of a neurologist or neurosurgeon and a surgeon shall be sent to the State Athletic Commission and included in the boxer's permanent medical record and used to determine whether the boxer will be permitted to compete in future matches.

**Last Action:** Pending in the Senate.

**AB 1149 (Firebaugh) California Cultural and Historical Endowment.**

Appropriates \$128,415,000 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund to the California State Library for purposes of the California Cultural and Historical Endowment. It states legislative intent to appropriate similar amounts in future years.

**Last Action:** Pending in the Senate.

**AB 1458 (Reyes) Boxing contests.**

Requires the State Athletic Commission, at its regularly scheduled meetings, to invite testimony from boxing stakeholders for the purposes of determining the best approaches to attract major championship boxing contests to the State of California and to make recommendations annually to the Governor and the Legislature.

**Last Action:** Chaptered by Secretary of State - Chapter 515, Statutes of 2003.

**AB 1478 (Frommer) Commercial filming: permits.**

Prohibits public officials from requiring a charitable donation in exchange for granting, or supporting the granting of, a film permit and establishes a civil penalty of \$1,000 - \$5,000 for any official who requires such consideration.

**Last Action:** Chaptered by Secretary of State - Chapter 220, Statutes of 2003.

**AB 1512 (Cohn) Arts education.**

Establishes the Arts Work Visual and Performing Arts Education program, to be administered by the State Department of Education, for the purpose of awarding grants to local educational agencies to develop their capacity to implement high-quality instructional programs based on state adopted standards in visual and performing arts.

**Last Action:** Chaptered by Secretary of State - Chapter 580, Statutes of 2003.

**HR 5 (Cohn) Computer piracy.**

Encourages every parent to educate their children that using technology to steal music, movies, and computer software is no different from walking into a store and shoplifting a CD or DVD. It also requests corporate, governmental, and educational institutions to implement employee policies and technical measures to ensure that their networks are not being misused to infringe copyrighted works.

**Last Action:** Adopted.

**SB 1032 (Murray) Motion picture theaters: unauthorized recordings.**

Provides that "every person who operates a recording device in a motion picture theater while a motion picture is being exhibited, for the purpose of copying the motion picture," without authority of the owner of the theater, is guilty of a misdemeanor, punishable by a county jail term not exceeding one year, by a fine not exceeding \$2,500, or by both that fine and imprisonment.

**Last Action:** Chaptered by Secretary of State - Chapter 670, Statutes of 2003.

# **BANKING AND FINANCE**

**Honorable Pat Wiggins, Chair**

Under the strong leadership of Chairwoman Pat Wiggins, the Assembly Committee on Banking and Finance passed key legislation protecting consumers. During this year's legislative session, many of the bills considered by the committee focused on two major policy areas: financial privacy and identity theft.

The committee passed the toughest privacy bill in the nation, SB 1 (Speier), which limits financial institutions' ability to share consumers' most sensitive financial information. In addition, SB 27 (Figueroa) requires companies that share personal information for marketing purposes to disclose what type of information has been disclosed and to whom.

Identity theft is one of the fastest growing crimes in the nation. In 2002, the Federal Trade Commission received 161,800 complaints of identity theft – an 88 percent increase from the year before. California leads the nation in laws to prevent identity theft. The committee continued to address this issue by passing numerous bills that help victims and give law enforcement additional investigative tools.

The following are some of the key bills considered by the committee and passed by the Legislature during the first half of the 2003-2004 Legislative Session:

**AB 620 (Leno) Real estate.**

Allows construction or rehabilitation loans with multiple lenders to be made based on the value of the property after improvements are completed.

**Last Action:** Chaptered by Secretary of State - Chapter 902, Statutes of 2003.

**AB 1031 (Correa) Financial institutions.**

Enhances penalties for violations of corporate security laws and gives the Commissioner of the Department of Corporations greater authority to discipline broker-dealers and investment advisors licensed by the department.

**Last Action:** Chaptered by Secretary of State - Chapter 473, Statutes of 2003.

**AB 1294 (Wiggins) Debt collectors: responsibilities: identity theft.**

Requires debt collectors to cease collection efforts until they review and determine the validity of specified information indicating that the debts they are trying to collect as a result of identity theft.

**Last Action:** Chaptered by Secretary of State - Chapter 287, Statutes of 2003.

**AB 1355 (Wiggins) Bonds.**

Authorizes the Department of Financial Institutions to impose civil penalties against financial institutions, such as banks, insurance premium finance companies, savings associations, credit unions and industrial development corporations, for example, for violating laws applicable to them.

**Last Action:** Chaptered by Secretary of State - Chapter 445, Statutes of 2003.

**AB 1368 (Kehoe) Bonds.**

Requires an annual expenditure report to the Legislature and the Department of Finance by the lead state agency administering the proceeds of a general obligation bond.

**Last Action:** Chaptered by Secretary of State - Chapter 770, Statutes of 2003.

**AB 1610 (Pavley) Consumer credit reporting agencies: use of reports.**

Requires that credit grantors who discover that a consumer's first and last name, address, or social security number on a credit application does not match the information in the applicant's credit report take reasonable steps to verify the accuracy of the information on the application.

**Last Action:** Chaptered by Secretary of State - Chapter 41, Statutes of 2003.

**AB 1772 (Committee on Banking & Finance) Identity theft.**

Adds mail forwarding and receiving services and office rental services to the list of entities that must provide application or account information to a victim of identity theft or a law enforcement officer when the victim discovers that an unauthorized person has used is or her name to obtain services from these entities.

**Last Action:** Chaptered by Secretary of State - Chapter 90, Statutes of 2003.

**AB 1773 (Committee on Banking & Finance) Search warrants: identity theft.**

Includes a victim's home county as a place of jurisdiction for the crime of identity theft. Often, in identity theft crimes, a victim's identifying information is neither stolen nor used within their county of residence. The only aspect of the crime that occurs in the victim's county is the receipt of the bills. This measure allows a victim of identity theft to access the judicial system in the county where the victim resides, rather than requiring a victim to travel to different counties where fraudulent transactions may have occurred.

**Last Action:** Chaptered by Secretary of State - Chapter 137, Statutes of 2003.

**SB 1 (Speier) Privacy: nonpublic personal information: financial institutions.**

Creates the California Financial Privacy Information Act, which limits a financial institution's ability to share a consumer's nonpublic personal information by allowing them to share this information with third parties only after the consumer "opts-in" or consents to the sharing. Also enables consumers to generally prohibit information sharing with the institution's affiliated companies or non-affiliated financial institutions, specifies conditions under which personal information must be released, and provides civil penalties for the willful or negligent violation of the bill's provisions.

**Last Action:** Chaptered by Secretary of State - Chapter 241, Statutes of 2003.

**SB 25 (Bowen) Personal information: security.**

Requires any person who uses a consumer credit report in connection with a credit approval, or with the purchase, lease, or rental of goods or services, to take reasonable steps to verify the consumer's identity if notified that the consumer has placed a security alert in his or her credit report. Also provides that if a consumer has placed a statement in his or her report requesting that identity be verified by calling a specified number, the consumer must be contacted at that number prior to the extension of credit. Finally, extends to public agencies certain restrictions on the posting, printing or displaying of individual social security which currently apply to only private companies.

**Last Action:** Chaptered by Secretary of State - Chapter 907, Statutes of 2003.



**SB 27 (Figueroa) Personal information: disclosure to direct marketers.**

Specifies that a business that discloses a customer's personal information to third parties to use for direct marketing must provide the customer, upon request, a description of the personal information and the names and addresses of the third parties to whom the information was disclosed during the preceding calendar year. Excludes financial institutions under certain circumstances.

**Last Action:** Chaptered by Secretary of State - Chapter 505, Statutes of 2003.

**SB 602 (Figueroa) Personal information.**

Provides various protections and support for victims of identity theft, including: 1) requiring consumer credit reporting agencies to notify each consumer who has requested that a security alert be placed on their consumer credit report of the expiration date of the alert; 2) establishing a penalty of up to \$2,500 and attorney's fees for a consumer credit reporting agency that recklessly, willfully or intentionally fails to place a security alert on a consumer credit report; and 3) establishing a \$10 limit that a credit reporting agency may charge each time a consumer places, removes or temporarily lifts a freeze on his/her consumer credit report, and a \$12 limit for a temporary lift of a freeze for a specific party.

**Last Action:** Chaptered by Secretary of State - Chapter 533, Statutes of 2003.

**SB 684 (Alpert) Identify theft: application.**

Authorizes a victim of identity theft to obtain information about a fraudulent renewal of a credit account in the victim's name or about additional names added to the account.

**Last Action:** Chaptered by Secretary of State - Chapter 534, Statutes of 2003.

# **BUDGET**

## **Honorable Jenny Oropeza, Chair**

The 2003 State Budget Act encompasses the most significant fiscal decisions, and many of the most critical policy decisions the Legislature and the Administration made this year. Through this one act, literally hundreds of decisions were made that will impact the lives of every child, adult, senior, and business in California.

On January 10, 2003, Governor Gray Davis introduced his proposed budget for the 2003-04 fiscal year. The proposed budget contained \$64.7 billion in available General Fund (GF) resources, and \$62.7 billion in GF expenditures. The January proposal was predicated upon economic and revenue forecasts developed during the fall of 2002 by the Department of Finance, and included a realignment proposal that would shift over \$8 billion in responsibilities to local governments, which would be funded by new tax revenues directed to local governments. This forecast identified a \$34.6 billion GF shortfall over the 2002-03 and 2003-04 budget years.

The Governor's May Revision identified the GF shortfall to be \$38.2 billion and contained revenue projections of \$72.3 billion and expenditures projections of \$70.4 billion.

Despite the constraints outlined in the Governor's May Revision, the final budget ultimately crafted by the Legislature and signed into law by the Governor contains \$74.7 billion in available revenues and \$71.1 billion in expenditures. The final budget preserves critical investments in public education, health access, public safety, human services, and environmental protection at a time when the state is in the midst of a nation-wide economic slowdown.

In total, the 2003 State Budget Act contains expenditures of \$98.9 billion, including \$70.8 billion from the General Fund. The reserve for economic uncertainties stands at approx. \$2.2 billion, or 3.1 percent of GF expenditures.

The following tables provide important information, including a final GF summary, an outline of how the \$38.2 billion shortfall was closed, an update of GF expenditures by agency for all funds and an update of GF expenditures by agency as proposed by the Governor, amended by the Legislature and finally as signed into law by the Governor.

**2002-03 GENERAL FUND  
BUDGET SUMMARY  
(in millions)**

	<b>2002-03</b>	<b>2003-04</b>
Prior Year Balance	-\$1,983	\$1,402
Revenues and Transfers	\$70,852	\$73,353
Deficit Financing Bond	\$10,675	-
<b>Total Resources Available</b>	<b>\$79,544</b>	<b>\$74,755</b>
Expenditures	\$78,142	\$71,137
<b>Fund Balance</b>	<b>\$1,402</b>	<b>\$3,618</b>
<b>Reserves</b>		
Liquidation of Encumbrances	\$1,402	\$1,402
Economic Uncertainties	\$0	\$2,216

**CLOSING THE \$38.2 BILLION GAP  
(in millions)**

Description	Amount	Percentage
Cuts	\$17,589.6	44.6
Fund Shifts	4,357.0	11.1
Other Revenue	4,466.3	11.3
Loans/Borrowing	2,326.2	5.9
Deficit Financing	10,675.4	27.1
<b>Total (greater than \$38.2 billion, due to increased reserve)</b>	<b>\$39,414.5</b>	<b>100.0%</b>

GENERAL FUNDS, SPECIAL FUNDS, AND BOND FUNDS BY AGENCY				
(in millions)				
	General Fund	Special Funds	Bond Funds	Total
<b>K – 12 EDUCATION</b>	\$29,318	\$59	\$3,668	\$33,045
<b>HIGHER EDUCATION</b>	8679	1025	1653	11,057
Health & Human Services	23,358	4,892	117	28,367
<b>YOUTH &amp; ADULT CORRECTIONAL</b>	5,644	2	11	5,657
Resources	865	1,357	1,784	4,006
Environmental Protection	97	707	326	1,130
Courts	1,454	1,294	--	2,748
<b>State &amp; Consumer Services</b>	444	551	25	1020
Business, Transportation & Housing	512	5,220	148	5,880
<b>LOCAL GOVERNMENT SUBVENTIONS</b>	314	2,950	--	3,264
<b>TAX RELIEF</b>	707	--	--	707
<b>OTHER</b>	-255	2,481	37	2,263
<b>TOTAL</b>	<b>\$71,137</b>	<b>\$20,538</b>	<b>\$7,469</b>	<b>\$99,144</b>

GENERAL FUND BUDGET AMOUNT BY AGENCY (in millions)				
	Governor's January 10 Budget	Governor's May Revision Proposal	Legislature's Final Budget	Final Budget Act
K – 12 Education	\$27,390	\$29,080	\$29,318	\$29,318
Higher Education	8,509	8,837	8,679	8,679
Health & Human Services	15,146	21,124	23,358	23,358
Youth & Adult Correctional	5,639	5,729	5,644	5,644
Resources	959	922	865	865

Environmental Protection	100	100	97	97
Legislative, Judicial & Executive	2,167	2,428	2,406	2,406
State & Consumer Services	438	439	444	444
Business, Transportation & Housing	216	426	512	512
Technology, Trade & Commerce	21	25	8	8
Labor and Workforce Development	90	90	116	116
General Government	2,094	1,233	-309	-310



# **BUSINESS & PROFESSIONS**

**Honorable Lou Correa, Chair**

The Committee on Business and Professions' primary jurisdiction is the protection of consumers – a responsibility ranging from information privacy to the regulation of dozens of businesses and professions, including medical doctors, nurses, dentists, optometrists, pharmacists, accountants, architects, automotive repair technicians, barbers and cosmetologists, and building contractors.

Examples of consumer-related issues considered by the committee in 2003 include the following: 1) prohibitions on unsolicited e-mails (“spam”); 2) restrictions on telemarketers; 3) protections against identity theft and privacy invasion; 4) regulation of identification cards from foreign nations; 5) regulation of emergency contraceptive drugs provided by pharmacists; 6) increased penalties on healthcare professionals who break the laws including Medi-Cal fraud, worker's compensation fraud, and sexual misconduct; 7) regulation of naturopathic doctors; 8) reform of Department of Consumer Affairs boards and commissions to increase accountability and ensure effective enforcement of consumer protection laws; 9) regulation of the construction industry, including home service and repair contractors; 10) regulation of funeral homes, cemeteries and crematories; 11) regulation of veterinarians, pet shops, and pet breeders; 12) regulation of private security guards and investigators, and 13) enforcement of requirements on debt collectors to disclose information to ensure consumer protection.

The second major subject area within the committee's jurisdiction is public contracting, which involves billions of dollars. Examples of relevant legislation considered by the committee during 2003 include the following: 1) restricting state contracting with expatriate corporations that transfer their headquarters overseas in order to avoid federal and state taxes; 2) adopting of fuel-efficiency and air pollution emission standards for state-owned vehicles; 3) creating a new governance system for buying information technology; 4) expanding school facility construction and transportation projects using the design-build approach to contracting as a cost-saving alternative to traditional contracting methods; 5) establishing outreach programs to encourage small and disabled veteran businesses to contract with public agencies; 6) retrofitting public buildings and private residences for seismic safety and energy efficiency; 7) transferring state-owned property to local governments, and 8) creating restrictions and increased penalties on public contractors who violate the law.

The following are some of the key bills the committee passed in 2003:

**AB 186 (Correa) Optometrists: dangerous drugs and devices.**

Includes optometrists in the provisions of the Pharmacy Law and the California Uniform Controlled Substances Act to permit furnishing to, possession by, and the distribution or sale of, dangerous drugs and devices and controlled substances to, optometrists.

**Last Action:** Chaptered by Secretary of State - Chapter 426, Statutes of 2003.

**AB 236 (Bermudez) Physicians and surgeons.**

Prohibits any person from being licensed under the Medical Practice Act who is required to register with the police as a sex offender, and requires the Medical Board of California to promptly revoke the license of any person who becomes subject to that registration requirement. Also authorizes the licensee, five years after termination of parole or probation, to petition the superior court for a license reinstatement hearing. If the court finds that the individual no longer poses a possible risk to patients, it must order the board to reinstate the license; if the court denies relief, the license revocation would remain in place.

**Last Action:** Chaptered by Secretary of State - Chapter 348, Statutes of 2003.

**AB 544 (Montanez) Contractor: temporary labor.**

Includes in the definition of "contractor" a temporary labor service agency that provides employees for construction work.

**Last Action:** Chaptered by Secretary of State - Chapter 759, Statutes of 2003.

**AB 663 (Lieber) Pelvic examinations.**

Prohibits a physician and surgeon or a student undertaking a course of professional instruction or a clinical training program, from performing a pelvic examination on an anesthetized or unconscious female patient unless the patient has given informed consent, the pelvic examination is within the scope of care, or, if the patient is unconscious, the examination is required for diagnostic purposes.

**Last Action:** Chaptered by Secretary of State - Chapter 644, Statutes of 2003.

**AB 827 (Committee on Business and Professions) Board membership qualifications: public members.**

Deletes the expertise qualification for appointment as a public member to a board within the Department of Consumer Affairs, and prohibits a public board member, within the past five years or during his or her tenure, from providing representation to the industry or profession regulated by the board of which he or she is a member.

**Last Action:** Chaptered by Secretary of State - Chapter 563, Statutes of 2003.

**AB 938 (Yee) Mental health professions: educational loan reimbursement: funding.**

Establishes the Licensed Mental Health Provider Education Program to provide grants to specified practicing mental health providers in return for service in medically underserved areas. The program is to be operational January 1, 2005 and funded by a \$10 surcharge on specified mental health professionals' licensing fees, which would be deposited in the Mental Health Practitioner Education Fund established by the bill.

**Last Action:** Chaptered by Secretary of State - Chapter 437, Statutes of 2003.

**AB 1196 (Montanez) Nurse practitioners: furnishing of drugs.**

Allows nurse practitioners to furnish drugs and devices that are classified as Schedule II controlled substances under the Uniform Controlled Substances Act, providing they complete a continuing education course including Schedule II controlled substances.

**Last Action:** Chaptered by Secretary of State - Chapter 748, Statutes of 2003.

**AB 1382 (Correa) Contractors: arbitration, civil penalties, and licensing.**

Makes several changes to the Contractors State License Law relative to the issuance of contractors licenses, including 1) requiring revocation of the licenses to be within 90 days, but allowing the registrar of the board to delay the revocation, for good cause, for up to one year; 2) deleting an arbitrator's authority to order specific performance of a contract but allowing the arbitrator to award a complainant all direct costs and expenses for completion or repair of the project; 3) eliminating the prohibition on a licensee serving as a member, officer, director, or associate of a licensee when the only basis for the prohibition is the prior denial of a supplemental classification for an existing license for failing to document sufficient experience; 4) prohibiting a partner or responsible managing officer or employee from disassociating himself or herself from a license in order to avoid complying with a citation, and 5) authorizing renewal of an expired license that has been suspended but prohibiting a licensee from engaging in any activity relating to the license until it is reinstated.

**Last Action:** Chaptered by Secretary of State - Chapter 363, Statutes of 2003.

**AB 1392 (Bermudez) Medical Board of California: prosecutorial and investigative resources.**

Authorizes the Medical Board of California to determine that certain information and complaints cannot be pursued by the board without detriment to the investigation and prosecution of certain priority cases (e.g., drug or alcohol abuse by a physician that involves the death of a patient or gross negligence, incompetence or repeated negligent acts that involve death or serious injury to one or more patients), and requires written notice to be sent to the complainant regarding why his or her case is not being investigated or prosecuted and suggested other agencies he or she may contact for assistance.

**Last Action:** Vetoed.

**AB 1410 (Wolk) Surplus land: transit stations.**

Requires a state or local agency that is selling surplus property located within an area covered by a transit village plan or within an infill opportunity zone to give right of first refusal to the county, city, city and county, and the redevelopment, public transportation, and housing agencies in which the property is located.

**Last Action:** Chaptered by Secretary of State - Chapter 772, Statutes of 2003.

**SB 33 (Figueroa) Telephone solicitors: compliance and violations.**

Requires telephone solicitors to comply with all state and federal laws regarding telephone solicitations, subject to penalty fines for violations. Makes it a crime to deny or interfere with a subscriber's right to place a California telephone number on the "do not call" list. Finally, deletes the applicable civil penalty fine amounts and instead requires them to be equal to those imposed by the Federal Trade Commission.

**Last Action:** Chaptered by Secretary of State - Chapter 779, Statutes of 2003.

**SB 186 (Murray) Privacy: unsolicited commercial e-mail advertising.**

Clarifies current law and creates avenues to sue advertisers for unsolicited e-mail ("spam"). Also creates a cause of action for the consumer, the e-mail service provider, or the Attorney General, to sue for violations of the bill's restrictions and prohibitions. Specifically, it (1) prohibits a California advertiser from sending unsolicited e-mail advertisements to a California e-mail address; (2) permits plaintiffs to seek damages of \$1,000 per advertisement and up to \$1 million per incident; and (3) under certain circumstances, reduces these damages to a maximum of \$100 per advertisement or a maximum of \$100,000 per incident.

**Last Action:** Chaptered by Secretary of State - Chapter 487, Statutes of 2003.

**SB 443 (Figueroa) Contracting without a license: repeat offenders.**

Requires the courts to impose a jail term of at least 90 days for repeated convictions of contracting without a license, unless the court finds unusual circumstances justifying a lesser penalty or a fine.

**Last Action:** Chaptered by Secretary of State - Chapter 706, Statutes of 2003.

**SB 490 (Alpert) Pharmacy: prescriptions.**

Allows a licensed and trained pharmacist to furnish emergency contraception drug therapy, i.e. the "morning after" pill, in accordance with standardized procedures and protocols of the Board of Pharmacy and the Medical Board of California.

**Last Action:** Chaptered by Secretary of State - Chapter 651, Statutes of 2003.

**SB 545 (Speier) Emergency contraception drug therapy.**

Requires completion of a training program on emergency contraception (EC) for pharmacists who dispense EC drug therapy, i.e., the "morning after" pill. Also requires pharmacists to determine a patient's eligibility for therapy before dispensing the pill and specifically limits to \$10 the dispensing fee a pharmacist may charge when patient contact is by telephone or electronic means. Also specifically allows pharmacists to charge Medi-Cal patients an administrative fee of up to \$10, and requires pharmacists to disclose, upon request, the total retail drug price for EC drug therapy.

**Last Action:** Chaptered by Secretary of State - Chapter 652, Statutes of 2003.

**SB 640 (Burton) Public contracts: expatriate corporations.**

Establishes the California Taxpayer and Shareholder Act of 2003, which prohibits a state agency from entering into any agreement or contract with a publicly held expatriate corporation or its subsidiary. Allows a state department or agency to contract with a publicly held expatriate corporation only if the contract is necessary to meet a compelling public interest, and the state department or agency makes a written finding describing the compelling public interest. Requires the Franchise Tax Board to approve termination of a "water's edge election, upon request of all members, to permit state contracting with an expatriate corporation.

**Last Action:** Chaptered by Secretary of State - Chapter 657, Statutes of 2003.

**SB 907 (Burton) Professions and vocations: naturopathic doctors.**

Proposes a new state licensing program for naturopathic doctors that includes protection of various occupational titles and specifies a scope of practice for naturopathic doctors with specified education and training. Establishes, until July 1, 2009, the Naturopathic Doctors Act, to be administered by the Bureau of Naturopathic Physicians, created by the bill within the Department of Consumer Affairs. Requires the bureau to establish the amount of the fee assessed to fund the bureau's activities, including the amount of fees for applicant licensure and childbirth certification.

**Last Action:** Chaptered by Secretary of State - Chapter 485, Statutes of 2003.

**SB 969 (Bowen) Telephone medical advice services.**

Revises requirements for health care service plans that provide telephone medical advice by requiring health plans to ensure that only professionals licensed in the healing arts provide medical advice to callers and prohibits unlicensed health plan staff or staff of a telephone medical advice service from using titles or designations that would mislead a person to believe that they are licensed health professionals. Allows unlicensed employees to ask questions of callers on behalf of licensed staff in order to ascertain the patient's condition for appropriate referral.

**Last Action:** Chaptered by Secretary of State - Chapter 885, Statutes of 2003.



# EDUCATION

## Honorable Jackie Goldberg, Chair

In 2003, the Committee on Education, chaired by Assemblymember Jackie Goldberg, heard significant kindergarten through grade 12 (K-12) education legislation in the areas of services for special needs students; school facilities; curriculum standards and school standards; health and nutrition; the *California Master Plan for Education*, and other bills intended to improve K-12 education in California.

The committee considered bills to ensure that school districts could continue meeting the supplemental instructional needs of students at-risk of not advancing to the next grade AB 52 (Simitian) & SB 19 (Escutia). The committee heard several bills that would implement various recommendations made by the 2002 *California Master Plan for Education*. Legislation that would establish an Office of Education on the Environment to develop model curriculum incorporating environmental principles for pupils in primary and secondary grades was considered AB 1548 (Pavley). Legislation in the area of health education, especially as it relates to nutrition and childhood obesity, was advanced AB 195 (Chan) & SB 677 (Ortiz).

The committee heard and was able to stop legislation that would have eviscerated the Class Size Reduction (CSR) Program. These bills proposed increasing class sizes as a way to provide additional fiscal relief to school districts. Instead, compromise legislation was approved that would mitigate penalties for schools that do not maintain the lower class sizes funded by the CSR program (SB 556 (Sher)).

Additional legislation passed by the committee included SB 495 (Vasconcellos), which would establish the Opportunities for Teaching and Learning Index to measure opportunities for teaching and learning based on standards that specify what all schools should have available for instruction, AB 1309 (Goldberg), which would establish local authority to replace housing lost to the construction of a new school, and AB 1124 (Nunez) and SB 892 (Murray), proposals to ensure that school restrooms are functional, safe and clean.

Following are summaries of these and other key bills the committee considered during the first half of the 2003-2004 Legislative Session:

### **AB 52 (Simitian) Supplemental instruction.**

Extends supplemental instruction programs to allow school districts to continue to provide supplemental instruction to pupils in grades 2-9 who are at risk of retention.

**Last Action:** Vetoed.

### **AB 195 (Chan) Health education.**

Allows pupils to receive information about preventive health care, obesity and diabetes as part of their comprehensive health education program, and includes managed health care professionals among those used to implement the programs.

**Last Action:** Chaptered by Secretary of State - Chapter 550, Statutes of 2003.

**AB 490 (Steinberg) Education: foster children.**

Expands and stipulates authority for school records of foster, homeless, and incarcerated youth. Requires that all educational and school placement decisions shall ensure that pupils are placed in the least restrictive educational programs, and that the pupil has access to all educational and extra-curricular and enrichment activities that are available to other pupils. Requires that a pupil placed in a licensed children's institution or foster home must attend a school operated by a local education agency unless the pupil has an individualized education program which requires him or her to be placed in a specialized educational setting. Requires that educational placements are made with as little disruption to the youth's education as possible, and assures that records are transferred as quickly as possible so that educational continuity is maintained.

**Last Action:** Chaptered by Secretary of State - Chapter 862, Statutes of 2003.

**AB 642 (Mullin) Content standards: review.**

Requires the Superintendent of Public Instruction, commencing in 2005, to conduct a periodic review of the content standards for specified curriculum areas and for the State Board of Education to adopt or reject any changes deemed necessary or desirable and any conforming changes to the statewide performance standards.

**Last Action:** Vetoed

**AB 833 (Steinberg) Sex equity in education: athletics.**

Sets forth standards through which to determine whether an educational institution has effectively accommodated the interests and abilities of both sexes in athletics. Prohibits the use of public funds in connection with an athletic program of a public postsecondary education institution that does not provide equivalent opportunity to both sexes for participation and use of facilities.

**Last Action:** Chaptered by Secretary of State - Chapter 660, Statutes of 2003.

**AB 1012 (Steinberg) Pupils: interrogation.**

Provides a statutory framework for the questioning of elementary and high school pupils by peace officers, including requirements for parental or guardian notification, procedures when parents or guardians cannot be reached, and enumerated exigent circumstances where notification would not be required.

**Last Action:** Pending concurrence in Senate amendments.

**AB 1124 (Nunez) School facilities maintenance and repair.**

Requires school districts consider ensuring that facilities, including, but not limited to, restroom facilities for pupils, are functional and that they meet local hygiene standards generally applicable to public facilities as a priority for the use of state and local maintenance and deferred maintenance funding.

**Last Action:** Chaptered by Secretary of State - Chapter 358, Statutes of 2003.

**AB 1137 (Reyes) Charter schools.**

Makes numerous changes regarding charter school administration and oversight to bring charter schools more in line with the original intent of the Charter Schools Act of 1992 of holding charter schools accountable for meeting measurable pupil outcomes and providing charter schools with a method to change from rule-based to performance-based accountability systems. Specifically, it repeals the sunset on the charter school general purpose block grant, specifies several oversight duties of each chartering authority and establishes criteria for renewal.

**Last Action:** Chaptered by Secretary of State - Chapter 892, Statutes of 2003.

**AB 1250 (Laird) Teacher development: intolerance and hatred prevention.**

Authorizes teacher staff development days to include training designed to improve intolerance and hatred prevention.

**Last Action:** Chaptered by Secretary of State - Chapter 346, Statutes of 2003.

**AB 1309 (Goldberg) School facilities: displaced residential development.**

Authorizes a city or county in which a new schoolsite is located to acquire property to replace existing dwelling units displaced by school construction if certain conditions are met and would require that displaced persons be given a right of first refusal to purchase or rent the replacement dwelling units.

**Last Action:** Chaptered by Secretary of State - Chapter 574, Statutes of 2003.

**AB 1411 (Wolk) School safety: hazing.**

Broadens the definition of hazing to include initiation or pre-initiation into a student body. The existing law only applies to initiation or pre-initiation into a student organization.

**Last Action:** Chaptered by Secretary of State - Chapter 21, Statutes of 2003.

**AB 1485 (Firebaugh) English learners: academic assessment.**

Authorizes bilingual classrooms to use primary language materials in alternate formats adopted by the State Board of Education (SBE) for purposes of participating in the Reading First program and requires the SBE to amend California's Reading First Plan to specify the priority in which funds available in the 2003-04 fiscal year will be allocated. This bill also specifies, commencing in the 2004-05 fiscal year, that each school district, charter school, and county office of education administer the STAR achievement test to each of its pupils in grades three and eight, rather than to all pupils in grades 2 to 11, as required by existing law.

**Last Action:** Chaptered by Secretary of State - Chapter 773, Statutes of 2003.

**AB 1548 (Pavley) Office of Education on the Environment.**

Establishes the Office of Education on the Environment (OEE) within the California Environmental Protection Agency and requires it to develop environmental education principles and a model curriculum. The OEE replaces the Office of Integrated Environmental Education in the Integrated Waste Management Board.

**Last Action:** Chaptered by Secretary of State - Chapter 665, Statutes of 2003.

**SB 19 (Escutia) Supplemental instruction.**

Authorizes districts to offer supplemental instruction, i.e. summer school, to pupils at risk of retention in grades 2-6 without a "cap" on state reimbursement.

**Last Action:** Vetoed.

**SB 257 (Alpert) Pupil data.**

Establishes an advisory committee to the Superintendent of Public Instruction (SPI) on all matters related to the Academic Performance Indicator and to make recommendations to the SPI on the appropriateness and feasibility of a methodology for utilizing unique pupil identifiers for grades K-12 to develop a more accurate measure of a school's performance over time.

**Last Action:** Chaptered by Secretary of State - Chapter 782, Statutes of 2003.

**SB 259 (Romero) School and community college employees: call to active military duty.**

Authorizes school and community college districts to pay lost salary and benefits, for up to 180 days, to all employees who have been called to active military duty. The bill also provides that teachers have a period of 120 days after the end of his or her service to renew their credential if that credential expired while on active duty.

**Last Action:** Chaptered by Secretary of State - Chapter 783, Statutes of 2003.

**SB 495 (Vasconcellos) School accountability: Opportunity to Learn Index.**

Creates the Opportunities for Teaching and Learning (OTL) Index, as part of the Public Schools Accountability Program, as a means for measuring the learning opportunities for K-12 pupils provided sufficient nonstate funds are available. The OTL, to be developed by the Superintendent of Public Instruction with recommendations from the California Quality Education Commission, must include, at a minimum, the number of fully credentialed teachers at the school, the availability of adequate instructional materials, the physical condition and maintenance of the school facilities, the availability of counseling and academic advising and, at secondary schools, of college preparatory, honors, and vocational courses.

**Last Action:** Vetoed.

**SB 507 (Escutia) School districts: grant programs.**

Extends from January 1, 2005 to January 1, 2008 the sunset date on the Advanced Placement Fee Waiver program, which provides grants to school districts to fund Advanced Placement examination fees for low-income students.

**Last Action:** Chaptered by Secretary of State - Chapter 669, Statutes of 2003.

**SB 556 (Sher) Class size.**

Requires a schoolsite to select the grade level or levels to be reduced should it participate in the Class Size Reduction (CSR) Program and give priority to those level(s). Establishes a sliding penalty scale for exceeding the maximum class size in the CSR Program (as opposed to current law whereby CSR funding is completely forfeited if the maximum class size is exceeded). Allows school districts to use deferred maintenance funds for the 2003-04 fiscal year to supplement class size reduction.

**Last Action:** Vetoed.

**SB 677 (Ortiz) California Childhood Obesity Prevention Act.**

Enacts the California Childhood Obesity Prevention Act, prohibiting the sale of carbonated beverages to pupils in elementary school, commencing July 1, 2004, and prohibits beverages other than water, milk, 100 percent fruit juices, or fruit-based drinks composed of no less than 50 percent fruit juice and without added sweeteners, from being sold at an elementary, middle or junior high school. Excepted from the general prohibition are certain school events such as fundraisers and athletic events.

**Last Action:** Chaptered by Secretary of State - Chapter 415, Statutes of 2003.

**SB 892 (Murray) School restrooms.**

Requires every public and private school to make sure every restroom facility is open at all times during school hours and is regularly maintained, cleaned, and is fully operational and stocked with toilet paper, soap, and paper towels or hand dryers. If any violation is not corrected within 30 days, the school will be ineligible to receive state school facilities money.

**Last Action:** Chaptered by Secretary of State - Chapter 909, Statutes of 2003.

# **ELECTIONS, REDISTRICTING & CONSTITUTIONAL AMENDMENTS**

**Honorable John Longville, Chair**

## **Voters' Rights**

The committee took steps this year to ensure that every Californian's vote is counted and to remove any impediments to attracting people to the polls. The committee approved legislation to prevent voter intimidation at polling places, to make voters aware of their rights, and to provide a legal remedy for individuals who are improperly denied the right to vote. Additionally, the committee approved legislation to ensure that a person's ballot is not discarded simply because that person voted at the wrong polling place.

## **Campaign Reform**

Three years ago, voters approved Proposition 34, which reformed the campaign finance system in California. This year, the committee approved legislation to close a loophole that allowed large campaign contributions to be funneled through political party committees in the days before an election without immediate disclosure of the source of the contributions.

## **Voter Registration**

Increasing the number of Californians registered to vote through various outreach efforts continues to be a priority for the Legislature. The Assembly approved legislation to provide voter registration forms to high school and college students and also to have forms included with income tax mailings.

## **Polling Place Procedure**

The Assembly addressed the accurate and efficient administration of elections by approving legislation to update poll worker training, streamline polling place procedures related to provisional ballots, and to provide alternatives when precincts run out of ballots or electronic systems fail.

Some of the most significant bills the committee considered during the first year of the 2003-04 Legislative Session include the following:

### **AB 177 (Oropeza) Elections: voter bill of rights.**

Codifies existing rights of voters into a Voter Bill of Rights and requires it to be published in the voter pamphlet and posted at polling places.

**Last Action:** Chaptered by Secretary of State - Chapter 425, Statutes of 2003.

### **AB 190 (Levine) Provisional ballots.**

Requires that a provisional ballot, even if voted in the wrong precinct or of the wrong ballot type, be counted for every race for which the voter is found eligible to vote.

**Last Action:** Chaptered by Secretary of State - Chapter 808, Statutes of 2003.

### **AB 346 (Longville) Election contests.**

Allows an election to be contested on the grounds that eligible voters were denied the right to vote, and permits an election to be set aside if a number of eligible voters sufficient enough to alter the results were denied the right to vote.

**Last Action:** Chaptered by Secretary of State - Chapter 173, Statutes of 2003.

**AB 593 (Ridley-Thomas) Voter registration.**

Enacts the Student Voter Registration Act of 2003, wherein the Secretary of State will supply every high school, community college, California State University, and University of California campus with voter registration forms. Also, specifies that permanent absentee voters will be removed from the permanent absentee list only if they fail to vote in a statewide general election (currently they can be removed for failure to vote in a primary or a general). Requires that signatures on driver's licenses be digitized and that those signatures, along with change of address information, be provided to the Secretary of State.

**Last Action:** Chaptered by Secretary of State - Chapter 819, Statutes of 2003.

**AB 828 (Leno) Elections: election day procedures.**

Allows voters, in cases where a precinct runs out of ballots, to vote on a sample ballot or on a piece of paper. It also requires that certified direct recording electronic, i.e., touch screen, voting systems contain an alternative voting procedure to ensure that no voter is disenfranchised if all the machines in a precinct fail.

**Last Action:** Vetoed.

**AB 915 (Dutra) Elections: polling places.**

Prohibits a person from photographing, videotaping, or otherwise recording a voter entering or exiting a polling place within 100 feet of the polling place, with the intent of dissuading another person from voting.

**Last Action:** Chaptered by Secretary of State - Chapter 390, Statutes of 2003.

**AB 1678 (McLeod) Political Reform Act of 1974: conflicts of interest.**

Extends to all public officials the prohibition on using his or her official position to influence, any governmental decision directly relating to any person with whom he or she is negotiating, or has any arrangement concerning, prospective employment. (Currently, the prohibition applies to a state administrative official, elected state officer, or designated employee of the Legislature.)

**Last Action:** Chaptered by Secretary of State - Chapter 778, Statutes of 2003.

**SB 448 (Poochigian) Voter registration.**

Requires the Franchise Tax Board to include a voter registration card with the Personal Income Tax filing forms that are mailed annually to California taxpayers.

**Last Action:** Chaptered by Secretary of State - Chapter 412, Statutes of 2003.

**SB 610 (Escutia) Elections: poll workers.**

Requires the Secretary of State to adopt, by March 1, 2005, uniform standards for training poll workers, based on the recommendations of a 12-member task force.

**Last Action:** Chaptered by Secretary of State - Chapter 530, Statutes of 2003.

**SB 613 (Perata) Elections: voting information.**

Makes minor changes in the elections procedures necessary to obtain federal funding under the Help America Vote Act of 2002.

**Last Action:** Chaptered by Secretary of State - Chapter 809, Statutes of 2003.

# ENVIRONMENTAL SAFETY & TOXIC MATERIALS

Honorable John Laird, Chair

During the first year of the 2003-04 Legislative Session, the Assembly Committee on Environmental Safety and Toxic Materials heard measures covering such topics as leaking underground storage tanks, pesticides and chemicals in rural and urban runoff, coastal water quality impacts by large vessels, hazardous waste management, the protection of drinking water sources, air pollution, and the redevelopment of contaminated properties.

The issues in the committee's jurisdiction largely correspond to the programs and policies administered by the California Environmental Protection Agency and its boards, departments, and office. The committee chair, Assemblymember John Laird, and its members continue to emphasize the need for a strong commitment to protecting public and environmental health.

The following are some of the key measures considered by the committee in 2003:

## **Water Quality and Safe Drinking Water Supplies**

Rural drainage, urban runoff and stormwater pollution remain the leading source of water pollution in California. Drinking water also is an issue of prime importance for Californians, as contamination is increasingly detected in groundwater supplies. The committee heard several measures in this area that proposed increased gathering and sharing of critical water quality data, improved monitoring and remediation programs and which also addressed new technologies to solve nonpoint source pollution.

### **AB 334 (Goldberg) Water softeners: residential applications.**

Authorizes local agencies to adopt ordinances limiting or prohibiting the use of residential self-generating water softeners that discharge to the community sewer system if the ordinance contains the following findings: 1) local agency is out of compliance with waste discharge requirements issued by a regional water quality control board (RWQCB), water reclamation requirements, or master reclamation permits; 2) self-generating water softener control is the only available means of achieving compliance, and 3) non-residential saline discharges have been limited to the extent technologically and economically feasible. The findings must be substantiated by an independent study of all sources of salinity which quantifies each source and the actions taken to reduce discharges.

**Last Action:** Chaptered by the Secretary of State - Chapter 172, Statutes of 2003.

### **AB 826 (Jackson) Perchlorate Contamination Prevention Act: perchlorate materials: statewide database.**

Requires the Department of Toxic Substances Control to establish standards for best management practices for the handling of perchlorate materials. Directs the California Environmental Protection Agency to establish the framework for a statewide database that connects with its geographic management system for collecting data from local agencies.

**Last Action:** Chaptered by Secretary of State - Chapter 608, Statutes of 2003.

**AB 897 (Jackson) Water quality: nonpoint source pollution.**

Amends the Porter-Cologne Water Quality Act to conform to the federal Clean Water Act, which makes the control of nonpoint source pollution similar to the processes used for point source pollution. It also clarifies and streamlines the administrative processes of the State Water Resources Control Board and Regional Water Quality Control Boards.

**Last Action:** Chaptered by Secretary of State - Chapter 683, Statutes of 2003.

**AB 1020 (Laird) Public water systems: contamination cost recovery.**

Permits a public water system to bring a civil action against a person responsible for contaminating a public drinking water supply to recover its costs within four years of responding to the contamination. The costs that can be recovered include the reasonable costs of designing, constructing, and operating any facilities necessary to prevent the entry of the contaminant into the public water distribution system. It also provides for coverage of interim replacement water costs.

**Last Action:** Pending in the Senate.

**AB 1541 (Montanez) Waste discharge requirements: reporting penalties.**

Makes significant discharge reporting errors subject to the same penalties as other violations of the Clean Water Act which are eligible for mandatory fines of \$3,000 per violation per day.

**Last Action:** Chaptered by Secretary of State - Chapter 609, Statutes of 2003.

**SB 923 (Sher) Waste discharge requirements: waivers.**

Authorizes the State Water Resources Control Board or a Regional Water Quality Control Board to waive waste discharge requirements if, after a public hearing, the board finds that the discharge is both 1) consistent with any applicable state or regional water quality control plan, and 2) the waiver is "in the public interest." The boards are also authorized to require the payment of an annual fee and to require monitoring to verify "the adequacy and effectiveness of the waiver's conditions."

**Last Action:** Chaptered by Secretary of State - Chapter 801, Statutes of 2003.

**SB 1004 (Soto) Drinking water: replacement supply.**

Provides that a cleanup and abatement order issued by the State Water Resources Control Board (SWRCB) or a Regional Water Quality Control Board may require each discharger to provide or pay for uninterrupted replacement water service to each affected public water supplier or private well owner. It also establishes a database collection system under the auspices of SWRCB for reporting on the storage of perchlorate.

**Last Action:** Chaptered by Secretary of State - Chapter 614, Statutes of 2003.

**Hazardous Waste Management and Revitalization of Contaminated Properties**

The Department of Toxic Substances Control (DTSC) is responsible for regulating the generation, transport, and off-site management of hazardous wastes. In carrying out its mandate, DTSC relies on cooperation among state agencies and local and regional governments. The State Water Resources Control Board (SWRCB) and the Air Resources Board have the primary authority to enforce requirements designed to protect water quality and control air emissions respectively. Local governments make the key decisions regarding the siting of hazardous waste facilities. The SWRCB and its regional boards also implement our programs to upgrade and replace leaking underground storage tanks (UST's).



In 2003, the committee deliberated on a variety of measures addressing the handling and storage of hazardous wastes, including measures on electronic wastes and the clean up of military bases. The committee also considered potential ways of streamlining the regulation of hazardous waste streams that are created in limited quantities by multiple sources, such as households. Additionally, the committee heard measures focused on keeping the leaking UST replacement and upgrade programs on track.

**AB 1068 (Liu) Underground storage tanks: loan program.**

Extends from January 1, 2004 to January 1, 2011 the sunset date on the state loan program for the repair, replacement, upgrade, or removal of petroleum underground storage tanks, and transfers operation of the program from the defunct Technology, Trade and Commerce Agency to the State Water Resources Control Board.

**Last Action:** Pending Concurrence in Senate Amendments.

**AB 1218 (Dutra) Underground storage tanks: performance based contracts.**

Authorizes the State Water Resources Control Board to pay a claim to reimburse the cost of a cleanup pursuant to a performance based contract schedule. The payment is made when pre-established cleanup milestones are reached.

**Last Action:** Chaptered by Secretary of State - Chapter 689, Statutes of 2003.

**AB 1700 (Laird) Military base remediation: funding: federal grants.**

Prevents the state hiring freeze and a proposed 10 percent across the board cut in personnel from resulting in the elimination of federally funded state positions that oversee the clean-up of former military bases by prohibiting the Controller or the Director of Finance from eliminating any state position funded through an agreement with a responsible party or by a federal grant that does not require a state General Fund match. Also preserves federal funding to California to pay for the cleanup of contaminated federal facilities and to hasten the return of the facilities to productive and revenue-generating uses.

**Last Action:** Chaptered by Secretary of State - Chapter 869, Statutes of 2003.

**AB 1702 (Committee on Environmental Safety & Toxic Materials) Hazardous substances: underground storage tanks: redevelopment.**

Extends to July 1, 2004 the deadline for compliance with certain technology requirements for new underground storage tank (UST) installations and assures that the State Water Resources Control Board is authorized to require reporting, assessment and cleanup whenever a release is detected from UST systems.

**Last Action:** Chaptered by Secretary of State - Chapter 42, Statutes of 2003.

**SB 20 (Sher) Solid waste: hazardous electronic waste.**

Enacts the Electronic Waste Recycling Act of 2003, which provides for the convenient recycling of electronic devices, including cathode ray tubes, cathode ray tube devices, flat panel screens, and other video display devices, with a screen size larger than four inches, and which, when discarded or disposed, would be a hazardous waste under regulations set by the Department of Toxic Substances Control. Effective July 1, 2004, also imposes on retail electronic purchases an electronic waste recycling fee between \$6 and \$10 (depending on the size of the electronic device).

**Last Action:** Chaptered by Secretary of State - Chapter 526, Statutes of 2003.

## **Public Health and Environmental Safety**

Children are more vulnerable to environmental hazards than adults and require special protection from many contaminants, including some found in their school and home environment. Pound for pound, children breathe more air, drink more water and eat more food than adults, thus increasing their intake of environmental contaminants. The committee considered several measures designed to reduce the exposure to contaminants, such as polybrominated diphenyl ethers and heavy metals, that children and women face that could interfere with healthy human development.

### **AB 83 (Corbett) Bottled drinking water and vending machine standards.**

Creates a program requiring bottled water and water vending machines to meet licensure requirements similar to those imposed on public water systems regarding emergency notification plans, consumer confidence reports, labeling requirements and annual inspections.

**Last Action:** Pending in the Senate.

### **AB 302 (Chan) Brominated fire retardants: phaseout.**

Reduces the exposure of women and children to brominated flame retardants by prohibiting a person from manufacturing, processing, or distributing a product, or a flame-retarded part of a product, containing more than 0.1 percent pentaBDE or octaBDE on and after January 1, 2008.

**Last Action:** Chaptered by Secretary of State - Chapter 205, Statutes of 2003.

### **AB 455 (Chu) Packaging materials: regulated metals.**

Enacts the Toxics in Packaging Prevention Act, which would ban the sale of any package that includes a heavy metal (such as lead, cadmium, mercury, or hexavalent chromium) that was intentionally introduced during manufacturing or distribution, and prohibits the incidental concentration of these metals on or after January 1, 2006.

**Last Action:** Chaptered by Secretary of State - Chapter 679, Statutes of 2003.

### **AB 998 (Lowenthal & Koretz) Air quality: Nontoxic Dry Cleaning Incentive Program: dry cleaners: perchloroethylene alternatives.**

Establishes a grant program to provide financial incentives to professional dry cleaners to use non-toxic alternatives to perchloroethylene. Specifically, creates the Nontoxic Dry Cleaning Incentive Program, which requires the Air Resources Board to impose a \$3 per gallon fee on perc manufacturers and importers for use in dry cleaning. These funds would be used to establish demonstration programs for less toxic substitutes and financial assistance for conversion.

**Last Action:** Chaptered by Secretary of State - Chapter 821, Statutes of 2003.

### **AB 1360 (Steinberg) Environmental protection indicators.**

Requires the Office of Environmental Health Hazard Assessment to develop and maintain a system of environmental indicators that measure progress and setbacks in the programs affecting human and environmental health, commencing July 1, 2004, to the extent that funds are appropriated by the Legislature for that purpose.

**Last Action:** Chaptered by Secretary of State - Chapter 664, Statutes of 2003.

## **Coastal Waters**

The impacts of nonpoint source pollution and of land uses in coastal watersheds continued to be a major issue area for examination by the committee. In 2003, the committee focused particularly on the impacts to coastal waters and inland of large vessels and cruise ships.

### **AB 121 (Simitian, Nakano and Laird) Cruise ships: sewage sludge and bilgewater.**

Prohibits cruise ships from discharging sewage sludge and oily bilgewater into state waters and national marine sanctuaries along the state's coast.

**Last Action:** Chaptered by Secretary of State - Chapter 488, Statutes of 2003.

### **AB 433 (Nation) Large marine vessels: ballast waters.**

Reauthorizes, until January 1, 2010, the California Ballast Water Management for Control of Nonindigenous Species Act as the Marine Invasive Species Act, to protect oceanic or estuarine waters within 200 nautical miles of shore or less than 2,000 meters deep and any other river or lake connected to the ocean. The State Lands Commission (SLC), in consultation with the United States Coast Guard (USCG), is required to create regulations governing ways to evaluate and approve shipboard treatment systems. In addition, the SLC, consulting with State Water Resources Control Board and USCG and an advisory group with members from the port and shipping industries, is required to sponsor a pilot program to evaluate treatment and management strategies for ballast water.

**Last Action:** Chaptered by Secretary of State - Chapter 491, Statutes of 2003.

### **AB 471 (Simitian, Laird & Nakano) Cruise ships: air quality and incineration.**

As of January 1, 2004, prohibits cruise ships from conducting onboard incineration while operating within 20 miles of the California coast, and also requires cruise ships to use only federal on-road diesel fuel (cleaner fuel) while operating within 25 miles of the coast.

**Last Action:** Pending in the Senate.

### **AB 906 (Nakano, Laird & Simitian) Cruise ships: hazardous waste.**

Prohibits cruise ships from discharging hazardous waste or other waste into state waters. Also prohibits the discharge of photography lab chemicals, dry cleaning chemicals, or medical waste.

**Last Action:** Chaptered by Secretary of State - Chapter 494, Statutes of 2003.

# GOVERNMENTAL ORGANIZATION

**Honorable Jerome Horton, Chair**

In 2003, the Assembly Committee on Governmental Organization, under the strong chairmanship of Assemblymember Jerome E. Horton, was successful in passing important legislation to regulate tobacco. As proposed under AB 71 (Jerome Horton), California, for the first time, would have a statewide licensing program for the manufacture, distribution and sales of tobacco. The program is expected to recover tens of millions of dollars in tax revenues currently lost to the state due to the black market sales of cigarettes. The committee also passed AB 846 (Vargas), which prohibits smoking within 20 feet of the main entrance or exit of a public building, and SB 1016 (Bowen), which requires every retail sale of cigarettes to be a vendor-assisted, face-to-face sale or comply with the federal Jenkins Act.

The committee also passed this year important legislation regarding tribal gaming. For example, AB 673 (Jerome Horton) allocates money paid by gaming tribes to poorer tribes with little or no gaming. The bill also allocates tribal gaming funds for a problem gambling prevention program. In addition, the committee approved SB 621 (Battin and Burton), which establishes a mechanism to allocate funds paid by the gaming tribes to mitigate the local impacts of tribal casinos. Additionally, SB 411 (Ducheny) and SB 930 (Ducheny) ratify recently signed gaming compacts between the state and three poor tribes in San Diego County.

Other notable bills from 2003 include the following: SB 88 (Chesbro), which enables small winegrowers to sell their wines at special events such as fairs or festivals; AB 1505 (Wiggins), which allows consumers to purchase wine after tasting it at events sponsored by nonprofit organizations; SB 544 (Chesbro) which would help protect military veterans from the fraudulent use of their publicly filed documents, and AB 1216 (Vargas), which allows the State Fire Marshal to prepare building standards that facilitate the defense of man-made structures from wildland fire threats.

## **AB 71 (Horton) Tobacco products: state and local government.**

Creates the California Cigarette and Tobacco Products Licensing Act of 2003, which establishes a licensing program for tobacco manufacturers, importers, wholesalers, distributors and retailers. Requires the Board of Equalization to administer the program and monitor and collect the excise taxes. Additionally, it imposes additional criminal and civil penalties on violators of tobacco-related tax laws.

**Last Action:** Chaptered by Secretary of State - Chapter 890, Statutes of 2003.

## **AB 673 (Horton) Gambling.**

Provides for allocation of funds from the Indian Gaming Special Distribution Fund for the purpose of backfilling shortfalls in the Indian Gaming Revenue Sharing Trust Fund. Names the Office of Problem and Pathological Gambling and establishes that office in the Department of Alcohol and Drug Programs (DADP). Also revises designated components of the gambling prevention program, requires the office to develop a program to support treatment services for described gamblers, and requires that implementation of these programs be based upon allocation priorities established by DADP and subject to funding being appropriated for that purpose.

**Last Action:** Chaptered by Secretary of State - Chapter 210, Statutes of 2003.

**AB 846 (Vargas) Smoking: public buildings.**

Extends, from within 5 feet to within 20 feet, of a main exit, entrance, or operable window of a public building, the current ban on smoking and applies the ban to city and county public buildings. Also specifies that this state restriction does not preempt the authority of a local government or a University of California, California State University, or community college campus from adopting more restrictive smoking ordinances.

**Last Action:** Chaptered by Secretary of State - Chapter 342, Statutes of 2003.

**AB 1216 (Vargas) Fire safety: regulations.**

Requires the State Fire Marshal, in consultation with the Director of the Department Forestry and Fire Protection and the Director of the Department of Housing and Community Development, to prepare building standards that facilitate the defense of man-made structures from wildland fire threats. The standards would specifically relate to roofs, exterior walls, and structural components such as porches, decks, balconies and eaves.

**Last Action:** Chaptered by Secretary of State - Chapter 688, Statutes of 2003.

**AB 1505 (Wiggins) Alcoholic beverages: winegrower's license: tied-house restrictions.**

Permits consumers to purchase wine after tasting it at events sponsored by certain nonprofit organizations, provided the sales transaction is completed at the winegrower's premises, and extends the same privilege to wineries that participate in "Meet the Winemaker" dinners.

**Last Action:** Chaptered by Secretary of State - Chapter 270, Statutes of 2003.

**SB 88 (Chesbro) Alcoholic beverages: permits: winegrowers.**

Authorizes the Department of Alcoholic Beverage Control to issue a wine sales event permit to allow a licensed winegrower to sell bottled wine at festivals, county fairs, civic/cultural celebrations or similar events held by nonprofit organizations.

**Last Action:** Chaptered by Secretary of State - Chapter 588, Statutes of 2003.

**SB 411 (Ducheny) Indian gaming: tribal state compacts.**

Ratifies the tribal-state gaming compacts entered into between the State of California and the Santa Ysabel Band of Diegueno Mission Indians of the Santa Ysabel Reservation and the La Posta Band of Diegueno Mission Indians of the La Posta Indian Reservation.

**Last Action:** Chaptered by Secretary of State - Chapter 790, Statutes of 2003.

**SB 544 (Chesbro) Veterans: recorded documents.**

Requires that if any military veteran requests the recordation of any military discharge document, including a veteran's service form DD214, the county recorder must require the veteran to sign a form that acknowledges that the document becomes a public document subject to inspection.

**Last Action:** Chaptered by Secretary of State - Chapter 301, Statutes of 2003.

**SB 621 (Battin and Burton) Indian gaming.**

Establishes priorities and procedures for funding from the Indian Gaming Special Distribution Fund to local governments to mitigate the impact of tribal casinos.

**Last Action:** Chaptered by Secretary of State - Chapter 858, Statutes of 2003.

**SB 930 (Ducheny) Indian gaming: tribal-state compacts.**

Ratifies the tribal-state gaming compact entered into between the Torres-Martinez Tribe and the State of California.

**Last Action:** Chaptered by Secretary of State - Chapter 802, Statutes of 2003.

**SB 1016 (Bowen) Tobacco products: sale.**

Requires that every retail sale of cigarettes in California be a vendor-assisted, face-to-face sale, unless the seller has fully complied with all of the requirements of the federal Jenkins Act. The Jenkins Act requires any person that sells cigarettes for profit in interstate commerce and ships the cigarettes into a state that imposes a tax on cigarettes to file by the 10th of each calendar month a memorandum or a copy of the invoice for each and every shipment of cigarettes made during the previous calendar month in that state. In California, this notice must be filed with the Board of Equalization.

**Last Action:** Chaptered by Secretary of State - Chapter 603, Statutes of 2003.

# HEALTH

## Honorable Dario Frommer, Chair

Under the chairmanship of Assemblymember Dario Frommer, the Assembly Committee on Health tackled major policy issues during the 2003-2004 Legislative Session related to expanding and ensuring health care access through the provision of health care coverage to working Californians and their families, ensuring continuity of care for health plan enrollees, and allowing for greater numbers of physicians in underserved areas. Through informational hearings, the committee reviewed the rise in health care costs in California and its relationship to hospital overcharging and prescription drug prices. Another major focus was the alarming number of Californians without health insurance, which resulted in joint hearings of a conference committee.

The following are some of the key bills passed by the committee during the first year of the 2003-04 Legislative Session:

**AB 348 (Chu) Psychologists: Release of involuntary patients.**

Allows a psychologist to authorize release of a person from an involuntary hold prior to the end of the holding period if the psychologist is in a collaborative treatment relationship with a psychiatrist and both the psychologist and the psychiatrist have examined the patient and consulted with one another.

**Last Action:** Chaptered by Secretary of State - Chapter 94, Statutes of 2003.

**AB 561 (Lieber and Chan) Family planning: teen pregnancy.**

Establishes the Male Involvement Program, the Community Challenge Grant Program, the TeenSMART Program, and the Information and Education Programs on a continuing basis within the Office of Family Planning in the Department of Health Services.

**Last Action:** Chaptered by Secretary of State - Chapter 643, Statutes of 2003.

**AB 715 (Chan) Patient and provider privacy.**

Applies to the marketing of medical information provisions of current law that prohibit any health care provider, health care service plan, contractor, or corporation from intentionally sharing, selling, or otherwise using any medical information for any purpose not necessary to provide health care services to the patient, except as authorized by the patient. Also prohibits a health care provider, pharmacy, health care service plan or contractor from being remunerated for providing information or data relating to a prescription if it includes identifiable information concerning the prescribing physician.

**Last Action:** Chaptered by Secretary of State - Chapter 562, Statutes of 2003.

**AB 801 (Diaz) Physicians: cultural and linguistic competency.**

Establishes the Cultural and Linguistic Physician Competency Program, a voluntary program for physicians to learn linguistic and cultural understanding of ethnic minority groups. The program is to be operated by local medical societies and monitored by the Division of Licensing of the Medical Board of California.

**Last Action:** Chaptered by Secretary of State - Chapter 510, Statutes of 2003.

**AB 938 (Yee) Mental health provider education.**

Establishes the Licensed Mental Health Provider Education Program and the Mental Health Practitioner Education Fund to increase the number of mental health professionals by providing grants to individuals in return for agreeing to serve in medically underserved areas.

**Last Action:** Chaptered by Secretary of State - Chapter 437, Statutes of 2003.

**AB 941 (Yee) Mental illness: criminals.**

Changes the date by which the Department of Mental Health (DMH) must provide an annual report to the Legislature on commitments based on competence to stand trial that exceed a 10-day limit, and adds a data element to this report. Also adds Coalinga State Hospital to the list of state hospitals for the treatment of the mentally ill that are under the jurisdiction of DMH; deletes the requirement that 80 percent of the patients at Napa State Hospital be there pursuant to the Penal Code, and instead requires that 20 percent of the beds at Napa be available for county contracted services for civil commitments.

**Last Action:** Chaptered by Secretary of State - Chapter 356, Statutes of 2003.

**AB 942 (Leno) Diabetic pupils.**

Authorizes school staff to provide emergency medical assistance to diabetic pupils suffering from severe hypoglycemia. Also permits certain diabetic pupils to test their blood glucose level and provide diabetes self-care in a private location in any area of the school or school grounds, during any school-related activity, upon the request of the pupil's parent or guardian and with their physician's authorization.

**Last Action:** Chaptered by Secretary of State - Chapter 684, Statutes of 2003.

**AB 948 (Nunez) Access to care: non-citizen physicians.**

Permits non-citizen physicians to participate in a fellowship program in a medical specialty or subspecialty field if approved by the Medical Board of California, if the program is in a clinic or hospital in a medically underserved area. Fellows must be under the direction and supervision of a physician and surgeon who is a specialist in the field in which the fellow is to be trained. Defines a "medically underserved area" to mean a federally designated Medically Underserved Area, a federally designated Health Professional Shortage Area, and any other clinic or hospital determined by MBC to be medically underserved. Makes legislative findings on the shortage of physicians in California and states legislative intent to address access to care issues.

**Last Action:** Chaptered by Secretary of State - Chapter 438, Statutes of 2003.

**AB 1130 (Diaz) County health initiatives.**

Appropriates \$89 million from the Child Health Initiative Matching Fund and \$164 million from the Federal Trust Fund to fund county health initiatives, which allow counties to receive matching federal funds to provide health insurance for children in families with incomes from 250% to 300% of the federal poverty level.

**Last Action:** Chaptered by Secretary of State - Chapter 687, Statutes of 2003.

**AB 1220 (Berg) Heart disease and stroke prevention and treatment.**

Contingent upon the receipt of sufficient private funds, establishes, until March 1, 2006, a 12-member task force to develop a master plan on improving heart disease and stroke prevention and treatment.

**Last Action:** Chaptered by Secretary of State - Chapter 395, Statutes of 2003.



**AB 1286 (Frommer) Continuity of care.**

Revises and expands existing “continuity of care” requirements on health care service plans to ensure completion of a patient’s treatment when the patient’s health care provider is no longer contracting with the patient’s plan.

**Last Action:** Chaptered by Secretary of State - Chapter 591, Statutes of 2003.

**AB 1496 (Montanez) Denial of care: independent review.**

Clarifies that laws providing for independent medical review of a health maintenance organization’s denial of care apply in the same manner to preferred provider organizations.

**Last Action:** Chaptered by Secretary of State - Chapter 579, Statutes of 2003.

**AB 1528 (Cohn) Health care quality improvement and cost containment commission.**

Requires the Governor to convene the California Health Care Quality Improvement and Cost Containment Commission to research and recommend appropriate and timely strategies for improving health care quality and containing health care costs. Requires the commission to issue to the Legislature and the Governor by January 1, 2005, a report and recommendations for cost containment.

**Last Action:** Chaptered by Secretary of State - Chapter 672, Statutes of 2003.

**AB 1627 (Frommer) Hospital charges.**

Requires each hospital to make public its chargemaster, which is the sticker price for a good or service furnished by the hospital. Requires hospitals to file their chargemasters with the Office of Statewide Health Planning and Development. Requires each hospital to make available to patients certain information about charges for common services or procedures.

**Last Action:** Chaptered by Secretary of State - Chapter 582, Statutes of 2003.

**AB 1628 (Frommer) Health insurance.**

Requires a hospital to contact an enrollee’s health plan to obtain the enrollee’s medical record information before admitting the enrollee for post-stabilization care as an inpatient following emergency services in a non-contracting hospital, under certain circumstances, and prohibits a hospital from billing the enrollee if it fails to do so.

**Last Action:** Chaptered by Secretary of State - Chapter 583, Statutes of 2003.

**AB 1762 (Assembly Committee on the Budget) Health budget.**

Enacts, among others, the following changes necessary to implement the 2003 Budget Bill: 1) shifts Medi-Cal accounting from a cash to accrual basis; 2) enacts a developmentally disabled quality assurance fee; 3) repeals the second year of Transitional Medi-Cal; 4) enacts a quality improvement fee on Medi-Cal managed care insurance plans; 5) expedites the Department of Health Services’ ability to remove or suspend drugs from the Medi-Cal program; 6) provides three-year expenditure authority for Prop. 99 funds; 7) adopts a new method for paying providers for blood factor products; 8) modifies the maximum Medi-Cal reimbursement for durable medical equipment and implements utilization controls; 9) restricts Medi-Cal hearing aid coverage, and 10) makes other cuts in the Medi-Cal, In-Home Supportive Services, Developmental Disabilities and other health-related programs.

**Last Action:** Chaptered by Secretary of State - Chapter 230, Statutes of 2003.

**AB 1763 (Assembly Committee on the Budget) Healthy Families Program: rural demonstration project funding.**

Authorizes funding for rural demonstration projects under the Healthy Families Program to be made available from funds appropriated from the Unallocated Account in the Cigarette and Tobacco Products Surtax Fund and from federal funds.

**Last Action:** Chaptered by Secretary of State - Chapter 161, Statutes of 2003.

**SB 2 (Burton) Mandatory employer-based health care insurance.**

Enacts the Health Insurance Act of 2003, which requires employers to pay a fee to provide health coverage to uninsured workers through a statewide purchasing pool. Waives the fee for small employers and employers who provide coverage. Effective January 1, 2006 applies to employers with 200 or more employees. Effective January 1, 2007 applies to employers with 50 or more employees. Effective January 1, 2007 applies to employers with 20 to 49 employees, if a tax credit for those employers is enacted. Includes dependent coverage for employees of employers with 200 or more employees.

**Last Action:** Chaptered by Secretary of State - Chapter 673, Statutes of 2003.

**SB 71 (Kuehl) Sex education.**

Establishes the California Comprehensive Sexual Health and HIV/AIDS Prevention Education Act which consolidates, streamlines, revises, and makes consistent various parts of the Education Code which address issues of sex and HIV/AIDS prevention education.

**Last Action:** Chaptered by Secretary of State - Chapter 650, Statutes of 2003.

**SB 292 (Speier) Prescription drugs: safety.**

Requires, effective January 1, 2006 that any prescription label of a drug dispensed by an outpatient pharmacy include a physical description of the dispensed medication, including its color, shape, and any identification code that appears on the tablets or capsules.

**Last Action:** Chaptered by Secretary of State - Chapter 544, Statutes of 2003.

**SB 582 (Speier) Ephedrine ban.**

Prohibits the sale or distribution of any dietary supplement product containing ephedrine group alkaloids.

**Last Action:** Chaptered by Secretary of State - Chapter 903, Statutes of 2003.

**SB 677 (Ortiz) Restrictions on beverages in schools.**

Enacts the California Childhood Obesity Prevention Act, prohibiting the sale of carbonated beverages to pupils in elementary school, commencing July 1, 2004. It also provides that beverages other than water, milk, 100 percent fruit juices, or fruit-based drinks composed of no less than 50 percent fruit juice and without added sweeteners, may not be sold at an elementary, middle or junior high school. Excepted from the general prohibition are certain school events such as fundraisers and athletic events.

**Last Action:** Chaptered by Secretary of State - Chapter 415, Statutes of 2003.

**SB 853 (Escutia) Health insurance: language assistance.**

Requires the Department of Managed Health Care to adopt regulations to ensure that health plan enrollees have access to language assistance in obtaining health care services.

**Last Action:** Chaptered by Secretary of State - Chapter 713, Statutes of 2003.

**SB 857 (Speier) Medi-Cal provider fraud.**

Makes numerous changes to the Medi-Cal program to address provider fraud, including establishing new application requirements for providers, creating a Medi-Cal provisional provider status, specifying grounds for disenrolling providers from the program, and requiring patient and provider signatures to document the furnishing of prescription drugs, devices and clinical laboratory services.

**Last Action:** Chaptered by Secretary of State - Chapter 601, Statutes of 2003.

**SB 932 (Bowen) Health facilities: disallowed restrictions.**

Prohibits the Attorney General from consenting to an agreement or transaction involving the sale, transfer, lease or other disposition of a health facility owned by a nonprofit corporation to a for-profit corporation, a mutual benefit corporation or another nonprofit corporation, if the seller restricts the type or level of medical services that may be provided at the facility.

**Last Action:** Chaptered by Secretary of State - Chapter 65, Statutes of 2003.

# HIGHER EDUCATION

**Honorable Carol Liu, Chair**

The Committee on Higher Education considered measures relating to community college finance and student fees; student fee policy at the UC and CSU; financial aid benefits for National Guard members; consolidation of state-level higher education agencies; concurrent enrollment; decentralized (campus-based) delivery of Cal Grant Awards; community college faculty issues; financial aid benefits for certain legal and illegal immigrants enrolling in public colleges and universities; gender equity in university athletics; CSU employee benefits; and CSU administrative costs.

Aside from the individual pieces of legislation heard by the committee, Members took a special interest in several issues that were the topic of informational hearings. These include the following: current and future enrollment pressures facing higher education during the coming decade and the importance of maintaining access for all students; student financial aid and fee policies; and the role of higher education in responding to the needs of special education students. Committee Chair Liu established an Assembly Working Group on Community College Finance to examine the strengths and weaknesses of the existing community college funding mechanism. The committee will be holding a series of four interim hearings on higher education finance.

The following are some of the key bills the committee has considered during the first year of the 2003-2004 Legislative Session:

**AB 655 (Liu) Postsecondary education: state agency consolidation.**

Confers on the California Postsecondary Education Policy and Finance Commission (CPEPFC) all powers, duties, functions, and obligations of the California Postsecondary Education Commission, the California Student Aid Commission on July 1, 2005, and the Bureaus for Private Postsecondary and Vocational Education on January 1, 2006.

**Last Action:** Pending in the Senate.

**AB 833 (Steinberg) Sex equity in education: athletics.**

Sets forth standards through which to determine whether an educational institution has effectively accommodated the interests and abilities of both sexes in athletics. Prohibits the use of public funds in connection with an athletic program of a public postsecondary education institution that does not provide equivalent opportunity to both sexes for participation and use of facilities.

**Last Action:** Chaptered by the Secretary of State - Chapter 660, Statutes of 2003.

**AB 933 (Reyes) Law enforcement officers: special death benefits.**

Allows stepchildren of law enforcement officers or firefighters who are slain in the line of duty to be eligible for benefits that all other surviving children - natural or adopted - are currently eligible to receive. Also exempts them from systemwide fees or tuition at the University of California and the California State University, as long as they had a regular parent-child relationship with the deceased person at the time of his or her death. Also applies retroactively to survivors of a deceased person who dies or is killed in the line of duty on or after January 1, 2001.

**Last Action:** Chaptered by Secretary of State - Chapter 840, Statutes of 2003.

**AB 1010 (Yee) Student financial aid: Assumption Program of Loans for Education: teachers of blind and visually impaired pupils.**

In order to address the shortage of teachers for the blind, adds to the statutes establishing the Assumption Program of Loans for Education (APLE) a provision requiring that teachers for blind or visually disabled pupils be added, commencing January 1, 2004, to the list of teacher shortage areas that is maintained for purposes of the program. The APLE is a competitive teacher incentive program designed to encourage outstanding students, district interns, and out-of-state teachers to become California teachers in subject areas where a critical teacher shortage has been identified.

**Last Action:** Pending in the Senate.

**AB 1230 (Hancock) Higher education labor relations: presentation of proof of support by employee organizations.**

Establishes a procedure for card-check recognition, in lieu of an election, for employee unions at the University of California and the California State University.

**Last Action:** Chaptered by Secretary of State - Chapter 216, Statutes of 2003.

**AB 1241 (Parra) Nursing education scholarships.**

Requires the Office of Statewide Health Planning and Development (OSHPD), to establish until January 1, 2009 a nursing education scholarship program to assist central valley students. Requires OSHPD, TO allocate a portion of the funds contained in the Registered Nurse Education Fund for scholarships to nursing students accepted to, or enrolled in, associate degree nursing programs at a California community college. Recipients are required to complete, at a minimum, an associate degree in nursing and either work in a medically underserved area, upon obtaining his or her degree, or obtain a nursing license. Scholarships will be targeted to students in the Counties of Fresno, Kern, Kings, Madera, Merced, and Tulare.

**Last Action:** Chaptered by Secretary of State - Chapter 396, Statutes of 2003.

**SB 259 (Romero) School and community college employees: call to active military duty.**

Authorizes school and community college districts to pay lost salary and benefits, for up to 180 days, to all employees who have been called to active military duty. Also provides that teachers have 120 days after the end of their service to renew their credentials if they expired while they were on active duty.

**Last Action:** Chaptered by Secretary of State - Chapter 783, Statutes of 2003.

**SB 302 (Kuehl) Discrimination: state programs and activities.**

Applies to the California State University laws prohibiting discrimination against the disabled by state agencies and requiring state agencies to improve accessibility of assistive technology to disabled persons. Clarifies that existing non-discrimination and accessibility obligations on the part of state entities, programs and activities, as outlined in Section 11135 of the Government Code, expressly include California State University.

**Last Action:** Chaptered by Secretary of State - Chapter 784, Statutes of 2003.

**SB 328 (Escutia) Student financial aid: eligibility.**

Directs the Board of Governors of the California Community Colleges (CCC) to establish application procedures for financial aid for individuals who do not have the legal immigration status necessary for federal processing of an application. Also directs CCC to use instate, rather than nonresident, admissions requirements for undocumented persons.

**Last Action:** Vetoed.

# HOUSING & COMMUNITY DEVELOPMENT

**Honorable Alan Lowenthal, Chair**

During the first year of the 2003-04 Legislative Session, the Assembly Committee on Housing and Community Development heard a wide range of measures affecting housing and land use policy. One of the more significant measures dealt with creating incentives for developing affordable housing in the Sacramento region. Other bills addressed issues such as audits of redevelopment agency housing funds; housing density bonuses for child care; resident access to common interest development accounting books and records; and universal (disabled) accessibility.

The committee held an oversight hearing in January to monitor administration of Proposition 46 (Housing Bond of 2002). The committee will continue to conduct periodic reviews of the housing bond.

In 2003, several bills were introduced on the topic of housing element reform. The Chair, Alan Lowenthal, held those bills in committee and requested the Department of Housing and Community Development to convene a working group to develop and make recommendations to the Legislature for comprehensive reform.

The following are some of the key bills the committee considered in 2003:

**AB 104 (Lowenthal) Common interest developments: account books.**

Requires the managing boards of common interest development associations to make their accounting books and records and the minutes of proceedings available for inspection and copying by association members. Provides for a civil penalty of \$500, plus costs and reasonable attorney's fees, for the unreasonable withholding of access to association records.

**Last Action:** Chaptered by Secretary of State - Chapter 375, Statutes of 2003.

**AB 304 (Mullin) Housing: downpayment assistance and guaranty insurance.**

Authorizes the California Housing Finance Agency (CHFA) to establish higher assistance limits for that downpayment assistance to teachers and school personnel in high-cost housing areas. Allows CHFA to make downpayment assistance loans of up to six percent of the home sale price, as opposed to three percent, to low-income first-time homebuyers in identified neighborhood revitalization areas.

**Last Action:** Chaptered by Secretary of State - Chapter 553, Statutes of 2003.

**AB 305 (Mullin) Density bonuses: child care facilities.**

Requires a city or county to grant additional density bonuses, concessions or incentives if a child care facility is included as part of the housing development.

**Last Action:** Chaptered by Secretary of State - Chapter 430, Statutes of 2003.

**AB 1287 (Lieber) Mobilehome parks: information for prospective tenants.**

Requires mobilehome park management to provide prospective mobilehome buyers with a notice regarding tenants financial obligations, including a disclosure of rent and other charges that the prospective buyer would be charged. The provisions of the bill become operative on October 1, 2004.

**Last Action:** Chaptered by Secretary of State - Chapter 767, Statutes of 2003.

**AB 1400 (Wolk) Housing: accessibility.**

Requires a developer of any new residential housing development, beginning 90 days after the Department of Housing and Community Development adopts a standard form, but no sooner than July 1, 2004, to provide a buyer a list of specified universal accessibility features that would make the home entrance, interior routes of travel, kitchen, and bathrooms, fully accessible to persons with disabilities.

**Last Action:** Chaptered by Secretary of State - Chapter 648, Statutes of 2003.

**AB 1475 (Steinberg) Housing: homeless.**

Requires the Department of Housing and Community Development to give priority to supportive housing projects when awarding housing bond funds. Defines "supportive housing" as that with no limit of stay that includes onsite or offsite services to assist the target population in retaining housing, improving their health and working in the community. Defines "target population" as 1) low- income adults with one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health conditions; 2) disabled individuals, and 3) families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, or homeless people.

**Last Action:** Chaptered by Secretary of State - Chapter 578, Statutes of 2003.

**AB 1525 (Longville) Common interest developments: signs.**

Provides that the governing documents of a common interest development may not prohibit posting or displaying noncommercial signs on or in an owner's separate interest except to protect the public health or safety or to enforce local, state or federal law.

**Last Action:** Chaptered by Secretary of State - Chapter 774, Statutes of 2003.

**ACR 53 (Lowenthal) Fair Housing Act of 1963.**

Commemorates the 40th anniversary of the passage of the Fair Housing Act of 1963, authored by Assembly Member W. Byron Rumford, and the progress that has been made to afford equal housing opportunities to all Californians regardless of race.

**Last Action:** Chaptered by Secretary of State - Res. Chapter 77, Statutes of 2003.

**SB 162 (Alarcon) Federal tax credits: housing: teachers.**

Expands the list of those eligible for the Extra Credit Teacher Home Purchase Program to include classified school employees who work at low-performing schools.

**Last Action:** Chaptered by Secretary of State - Chapter 853, Statutes of 2003.

# **HUMAN SERVICES**

**Honorable Lois Wolk, Chair**

The Assembly Committee on Human Services has jurisdiction over programs and services designed to assist the state's most vulnerable populations – abused and neglected children, disabled persons, low-income families and the elderly. In 2003, the committee addressed the full range of subjects within its purview.

Among notable achievements, the committee authored a bill protecting state funding to the counties for social services transferred, or “realigned,” from the state to the counties. It also approved legislation prohibiting discrimination against foster children, increasing access to food assistance, streamlining workers' compensation coverage for in-home care workers, and setting standards for admission agreements to residential care facilities for the elderly.

In addition to legislation regarding the state's Child Welfare Services program, the committee participated in a series of sessions regarding the Program Improvement Plan submitted to the federal government, the Stakeholders Redesign and the AB 636 implementation process. In September, the committee hosted a roundtable discussion during which the Department of Social Services presented a preview of its Redesign package, released to the public on September 25.

The committee also dealt extensively with services for the developmentally disabled (DD). It approved bills designed to facilitate the smooth transition of clients to community settings when old and costly developmental centers are closed, although costs and lack of consensus ultimately kept any of these bills from reaching the Governor's desk. The committee heard extensive testimony on legislation to create regional workforce service centers charged with organizing services and negotiating wages and benefits with workers serving the developmentally disabled. The proposal generated controversy within the DD community and is the subject of interim meetings convened by committee staff with participation from key stakeholders.

Additionally, the committee addressed the policy implications of state budgetary proposals affecting human services. With the Assembly Budget Subcommittee No.1 on Health and Human Services (chaired by Assemblywoman Judy Chu) and the Senate Health and Human Services Committee (chaired by Senator Deborah Ortiz), it participated in a special joint two-day informational hearing in February on proposals to realign, between the state and local governments responsibility, for a variety of social services.

Finally, the committee co-sponsored with the Senate Health and Human Services Committee a joint hearing on the state's Community Service Block Grant state plan and application for over \$50 million in federal funds to be used for energy assistance, emergency shelter, community food and nutrition and other programs designed by local community action programs to serve the poor.



Following is a detailed list of the major legislative bills heard by the committee this year.

### **LOCAL GOVERNMENT FUNDING**

#### **AB 1716 (Committee on Human Services – Wolk, Chair) Realignment funding.**

Allows restoration of \$27 million from increased sales tax revenues to replace earlier declines in realignment funding for county social services.

**Last Action:** Chaptered by Secretary of State - Chapter 450, Statutes of 2003.

### **ASSISTANCE TO LOW-INCOME FAMILIES**

#### **AB 231 (Steinberg) Social services.**

Requires counties to exempt food stamp applicants and recipients from face-to-face interviews, aligns the rules governing the resource value of a motor vehicle under CalWORKs with an alternative program under federal food stamp law and eliminates the five-month limit on transitional food stamps for families leaving CalWORKs.

**Last Action:** Chaptered by Secretary of State - Chapter 743, Statutes of 2003.

#### **AB 1402 (Wolk) CalWORKS and Food stamps.**

Resolves a conflict with federal law by allowing a simpler and more efficient system of reporting in the CalWORKs and food stamps programs.

**Last Action:** Chaptered by Secretary of State - Chapter 398, Statutes of 2003.

### **FOSTER CARE/CHILD WELFARE SERVICES**

#### **AB 408 (Steinberg) Foster children.**

Requires juvenile courts to give attention to the development of relationships between foster youth aged 10 or older and requires case plans for youths 16 years or older to describe programs and services to assist them in independent living.

**Last Action:** Chaptered by Secretary of State - Chapter 813, Statutes of 2003.

#### **AB 458 (Chu) Foster children: discrimination.**

Prohibits discrimination against foster children on the basis of race, ethnicity, national origin, disability, gender, or sexual preference and adds training on the rights of foster children to the curriculum for licensed foster parents.

**Last Action:** Chaptered by Secretary of State - Chapter 331, Statutes of 2003.

#### **SB 591 (Scott) Foster care.**

Requires information regarding a foster child's medical condition, sibling interaction and parental visitation rights to be provided to the child's foster parents promptly after placement. Also requires social worker evaluations to contain information about the willingness of a caregiver to provide legal permanency if reunification with the child's parents is unsuccessful.

**Last Action:** Chaptered by Secretary of State - Chapter 812, Statutes of 2003.

**SB 947 (Ducheny) Native American foster children.**

Establishes a specific process for identifying children subject to the Indian Child Welfare Act and notifying relatives and the tribe of custody proceedings, gives priority for placement to relatives and allows intervention of the tribe. Expands the role of the tribe in a custody proceeding involving an Indian child, and requires the Department of Social Services to adopt regulations to ensure that the parent of an Indian child who is being voluntarily relinquished for adoption is advised of his or her rights to withdraw consent prior to entry into a final decree.

**Last Action:** Chaptered by Secretary of State - Chapter 469, Statutes of 2003.

**SERVICES FOR THE ELDERLY****AB 528 (Mullin) Residential care facilities for the elderly.**

Defines the term "sundowning" as it relates to cognitively impaired residents of a residential care facility for the elderly (RCFE), and states that RCFE's should plan activities to mitigate the effects of sundowning.

**Last Action:** Chaptered by Secretary of State - Chapter 383, Statutes of 2003.

**SB 211 (Dunn) Residential care facilities for the elderly.**

Specifies requirements for the form and content of admission agreements for residential care facilities for the elderly (RCFE's) and requires an RCFE to post a copy of its admission agreement, which must include a comprehensive fee schedule; an explanation of third-party services; billing and payment policies and procedures; conditions under which rates may be increased; visitation policies; refund policies; residents' rights; and terms of eviction, which must comply with current laws and regulations.

**Last Action:** Chaptered by Secretary of State - Chapter 409, Statutes of 2003.

**CHILD CARE****AB 1326 (Simitian) Subsidized child care pilot projects.**

Authorizes San Mateo County to implement, as a five-year pilot project, an individualized county child care subsidy program that permits the county to waive certain state laws and regulations, including state laws on eligibility criteria, fees, reimbursement rates, and methods of maximizing the efficient use of subsidy funds.

**Last Action:** Chaptered by Secretary of State - Chapter 691, Statutes of 2003.

**AB 1683 (Pavley) Child care facilities: posting violations.**

Requires child care providers to post near a facility's main door reports of licensing violations which if not corrected would create a serious risk to the health, safety or personal rights of children in the provider's care.

**Last Action:** Chaptered by Secretary of State - Chapter 403, Statutes of 2003.

**SERVICES FOR DISABLED****AB 632 (Kehoe) In-Home Supportive Services: workers' compensation.**

Requires that In-Home Supportive Services workers employed through a nonprofit or proprietary agency be included in the Department of Social Services' labor pool for the purpose of paying contributions for workers' compensation.

**Last Action:** Chaptered by Secretary to State - Chapter 209, Statutes of 2003.

**AB 1753 (Committee on Budget – Oropeza, Chair) Developmental disabilities.**

Makes statutory changes needed to implement the 2003 Budget Bill by transferring the Habilitation Services Program from the Department of Rehabilitation to the Department of Developmental Services, to be administered locally by the Regional Centers effective July 1, 2004, for a \$2.2 million General Fund savings in the 2004-05.

**Last Action:** Chaptered by Secretary of State - Chapter 226, Statutes of 2003.

**SB 577 (Kuehl) State protection and advocacy agency.**

Updates, consolidates, and clarifies the authority of California's protection and advocacy agency (Protection and Advocacy, Inc.) to advocate on behalf of the developmentally disabled, the mentally ill and other disabled persons.

**Last Action:** Chaptered by Secretary of State - Chapter 878, Statutes of 2003.

**OTHER BILLS HEARD BY THE COMMITTEE**

**AB 353 (Montanez) Foster children: family reunification: abuse.**

With respect to an exemption from family reunification requirements in cases where a foster child or a foster child's sibling(s) are in danger of abuse if reunification is imposed, clarifies that a "sibling" is a person related to the child by blood, adoption, or affinity, and, in cases involving severe sexual abuse or severe physical harm, a person whose legal, biological, or foster parent is the parent of the child.

**Last Action:** Chaptered by Secretary of State - Chapter 28, Statutes of 2003.

**AB 529 (Mullin) Family day care homes: maximum number of children.**

Permits a child attending kindergarten or elementary school to be one of the two additional children allowed to be in care above the licensed capacities of family day care homes.

**Last Action:** Chaptered by Secretary of State - Chapter 744, Statutes of 2003.

**AB 1151 (Dymally) Duty to Foster Care Reaffirmation Act.**

Declares legislative intent that the appellate decision, In re Terrell R., does not change the standards of liability and immunity for injuries to foster children that occurred prior to that decision.

Additionally, extends the time in which the statute of limitations is tolled for a claim of injury or death to a minor in foster care, and makes subject to disclosure under the California Public Records Act, the date of birth and the date of death of any child that dies while in foster care.

**Last Action:** Chaptered by Secretary of State - Chapter 847, Statutes of 2003.

**AB 1752 (Committee on Budget – Oropeza, Chair) Omnibus Human Services Budget Trailer Bill.**

Makes the following statutory changes to implement the Budget Bill relating to human services:

1) suspends the state SSI/SSP COLA; 2) increases collection of child support owed to the state; 3) increases adoption fees and revises criteria for fee waivers or reductions to support adoptions by low-income parents; 4) permits using the General Fund to guarantee tobacco securitization bonds; 5) suspends the state exemption from the FBI fingerprinting fee for childcare providers; 6) increases licensing fees on various community and residential care facilities and increases the fees on child care facilities; 7) requires the Department of Social Services to visit probationary licensees annually, and generally reduces other site visit requirements; 8) requires counties to focus adult drug court programs on probationary felony defendants; 9) requires 28.07 percent of Vehicle License Fee revenues be used for realigned social and mental health programs; and (10) makes various other changes related to the budget.

**Last Action:** Chaptered by Secretary of State - Chapter 225, Statutes of 2003.

**ACR 34 (Matthews) Developmental disabilities: commendation to direct care workforce.**

Resolves that California recognizes that building a stable, well-trained direct care workforce to serve and support the mentally ill and the developmentally disabled is important to advancing the state's commitment to integrating the mentally ill and the developmentally disabled into the community and important to their personal security as well as the personal security of their families.

**Last Action:** Chaptered by Secretary of State - Res. Chapter 69, Statutes of 2003.

**AJR 12 (Chan) Head Start program: reauthorization.**

Requests Congress to acknowledge the success of the Head Start program, maintain its funding at the highest possible level, and reject any proposal to move it from the Department of Health and Human Services to the Department of Education, or to devolve, dismantle or limit its scope.

**Last Action:** Chaptered by Secretary of State - Res. Chapter 72, Statutes of 2003.

**SB 540 (Soto) Residential care facilities for the elderly: description of special services.**

Requires a licensee of a residential care facility for the elderly that advertises or promotes special care, programming, or environments for persons with a specific health-related condition to provide to each prospective resident, prior to admission, an accurate written narrative description of these special programs and services.

**Last Action:** Chaptered by Secretary of State - Chapter 322, Statutes of 2003.

**SB 984 (Scott) Dependent children: conformity to federal law on interethnic adoptions.**

Brings into compliance with federal law California law on interethnic foster and adoptive placements and allows payments from the Welfare Advance Fund to be made to Indian tribes and other governmental entities.

**Last Action:** Chaptered by Secretary of State - Chapter 323, Statutes of 2003.

**SJR 3 (Alarcón) Temporary Assistance for Needy Families: reauthorization.**

Urges Congress to 1) increase Temporary Assistance to Needy Families (TANF) funds to states facing severe shortfalls in funding for services to the poor; 2) allow states to use TANF funds for an additional 24 months of assistance to eligible families; 3) consider "stopping the clock" on the 60-month time limit on benefits for a recipient who meets work participation requirements or lives in a county with a high unemployment rate; and 4) increase child care funds.

**Last Action:** Chaptered by Secretary of State - Res. Chapter 136, Statutes of 2003.

# **INSURANCE**

## **Honorable Juan Vargas, Chair**

During the first year of the 2003-04 Legislative Session, the primary area of concern of the Assembly Committee on Insurance was to enact comprehensive reform of the workers' compensation system. To that end, the committee and the Senate Labor and Industrial Relations Committee sent 20 workers' compensation bills to conference committee for debate and discussion. The conference committee was co-chaired by Chairman Vargas, Senator Speier, Chair of the Senate Committee on Insurance, and Senator Alarcon, Chair of the Senate Committee on Labor and Industrial Relations. Ultimately, it passed out a workers' compensation reform package comprised of two bills, AB 227 (Vargas) and SB 228 (Alarcon). AB 227 will stabilize the market by reforming the system in many areas, such as medical fee schedules, utilization management, physician training, generic drugs, claims handling, and other costs related to medical treatment. SB 228 contained the lion's share of the health care cost control and savings -- the most essential element of the workers' compensation reform package.

At the beginning of session, the committee also addressed the important issue of financial privacy by holding an informational hearing on the Gramm-Leach-Bliley Act and issues relating to the collection and sharing of confidential consumer information by the insurance industry. The goal of the hearing was to assist legislators and other interested parties in understanding what protections existing privacy laws provide and the benefits, the risks of sharing confidential consumer information and the feasibility of implementing an opt-in or opt-out standard to protect consumers' privacy.

The committee also continued its oversight of the Department of Insurance, the State Compensation Insurance Fund, and the California Insurance Guaranty Association (CIGA). The stability of the insurance industry is critical to California's economy, and the Department of Insurance plays a vital role in overseeing this industry and protecting consumers. The financial solvency of both CIGA and the state fund, which holds 50 percent of the market share, is also essential in maintaining the stability of California's workers' compensation insurance industry.

Finally, the committee held an informational hearing on water damage claims, mold, and their impact on consumers and the insurance industry.

The following are key bills the committee considered this year:

**AB 149 (Cohn) Workers' compensation: asbestosis.**

Extends the statute of limitations on claims for workers' compensation death benefits in the case of firefighters who died of asbestosis.

**Last Action:** Chaptered by Secretary of State - Chapter 831, Statutes of 2003.

**AB 226 (Vargas) Life insurance: corporate-owned policies.**

Prohibits the issuance of a "corporate-owned life insurance" policy, defined as a life insurance policy purchased by a California employer, which designates the employer as the beneficiary of the policy, and that insures the life of a California resident who is a current or former employee of the employer

**Last Action:** Chaptered by Secretary of State - Chapter 328, Statutes of 2003.

**AB 227 (Vargas) Omnibus workers' compensation reform.**

Makes the following reforms in workers' compensation: 1) requires the Division of Workers' Compensation to be funded by employers; 2) repeals the vocational rehabilitation mandate and creates, instead, a new supplemental job displacement benefit for injuries occurring after December 31; 3) relieves an employer of liability for the supplemental job displacement benefit if, within 30 days of the end of temporary disability, the employee does not take the employer's offer of modified or alternative work; 4) authorizes the California Infrastructure and Economic Development Bank to issue up to \$1.5 billion in bonds at any one time to generate funds for the California Insurance Guarantee Association (CIGA) to borrow; 5) increases from \$50,000 to \$150,000 the maximum fine for fraud; 6) expands the definition of "insolvency" to also include the inability of an insurer to meet its financial obligations when due; 7) exempts CIGA from 5,814 penalties and attorney's fee awards; and 8) requires the Department of Insurance's web site to include a worker's compensation insurance rate comparison guide of the 50 insurance companies writing the most policies during the two preceding years.

**Last Action:** Chaptered by Secretary of State - Chapter 635 Statutes of 2003.

**AB 984 (Vargas) Service contracts: automobile insurance.**

Defines a "vehicle service contract (VSC)" and provides that this type of contract does not constitute automobile insurance when it meets specified requirements. It also 1) allows a VSC to be sold only by the seller of the motor vehicle or watercraft covered by the contract; 2) requires an obligor under a VSC who is not a seller to have a VSC provider license, and subjects the obligor, the seller, and the administrator under the contract to various regulations on licensing, contract forms, notices, cancellations and insurance; and 3) specifies that an express warranty on a motor vehicle lubricant, treatment, fluid, or additive that covers incidental or consequential damage resulting from a failure of that substance, constitutes automobile insurance, unless certain circumstances exist.

**Last Action:** Chaptered by Secretary of State - Chapter 439, Statutes of 2003.

**AB 996 (Wiggins) Insurance.**

Extends to reproductive health services facilities an existing prohibition on insurers from canceling or refusing to renew a property insurance policy due to property casualty claims arising from specified hate crimes, and further prohibits an insurer from imposing an excessive or unfairly discriminatory premium because a facility has been the victim of a hate crime.

**Last Action:** Chaptered by Secretary of State - Chapter 647, Statutes of 2003.

**AB 1049 (Calderon) Insurance: underwriting: information.**

Prohibits an adverse underwriting decision based on the fact that an individual has previously inquired and received information about the scope or nature of coverage under a residential fire or property insurance policy, if the information is received from an insurance-support organization whose primary source of information is insurance institutions and the inquiry did not result in the filing of a claim.

**Last Action:** Chaptered by Secretary of State - Chapter 442, Statutes of 2003.

**AB 1099 (Negrete McLeod) Insurance: fraud: information.**

Clarifies current law by including the Employment Development Department among the agencies authorized to request and receive information related to workers' compensation fraud investigations, and provides that licensed rating organizations are authorized to release information regarding workers' compensation fraud.

**Last Action:** Chaptered by Secretary of State - Chapter 636, Statutes of 2003.

**AB 1191 (Wiggins) Property insurance: rates: disclosure.**

Requires insurers to provide policyholders with the reasons for the non-renewal of their homeowner's insurance policies and requires insurers to provide policyholders, upon request, with the reasons for the change in their annual premium.

**Last Action:** Chaptered by Secretary of State - Chapter 571, Statutes of 2003.

**AB 1262 (Matthews) Workers' compensation insurance: claims adjusters.**

Requires every insurer admitted to transact workers' compensation insurance to certify to the Insurance Commissioner that the insurer's employees meet minimum standards of training, experience, and skills in lawfully performing workers' compensation claims practices. Also requires every workers' compensation insurer that contracts with a separate entity to review or adjust medical bills to certify that the entity meets minimum standards of training, experience, and skills.

**Last Action:** Chaptered by Secretary of State - Chapter 637, Statutes of 2003.

**AB 1727 (Committee on Insurance) Insurance: cancellation: notice.**

Requires homeowners and residential property or liability insurers to give a 20-day written advance notice of cancellation, except in the case of non-payment of premiums or fraud, for which a 10-day advance written notice of cancellation is required.

**Last Action:** Chaptered by Secretary of State - Chapter 148, Statutes of 2003.

**SB 228 (Alarcon) Omnibus workers' compensation reform: health care cost control.**

Makes, among others, the following changes in workers' compensation related to medical costs control: 1) requires medical providers to pay a \$100 fee when filing a lien with the Workers' Compensation Appeals Board, to be used to off-set user funding requirements imposed on employers; 2) repeals the treater's presumption of correctness for medical care for dates of injury, 4) establishes a Medicare-based medical fee schedule; 5) limits chiropractic and physical therapy services to 24 visits; 6) requires the Division of Workers' Compensation (DWC) to conduct a study of utilization guidelines; mandates adoption of those guidelines, and attaches a presumption of correctness to them; 7) requires employers to adopt utilization review systems consistent with the American College of Occupational and Environmental Medicine Occupational Medical Practice Guidelines; 8) allows self-referral to an outpatient surgery center where the provider discloses the financial relationship to the employer and the employer pre-authorizes treatment at the center; 9) repeals the aerospace and timber carve-out, but establishes a new carve-out program in any industry except construction; 10) clarifies that all workers' compensation prescription drugs must be generic, unless a brand name has been specifically prescribed; 11) creates a new pharmaceutical fee schedule at 100 percent of Medi-Cal and a new outpatient facility fee schedule based on Medicare; and 13) reduces rates for physician services.

**Last Action:** Chaptered by Secretary of State - Chapter 639, Statutes of 2003.

**SB 551 (Speier) Insurance: automotive repair dealers.**

Codifies existing regulatory law and prohibits an automobile insurer from requiring that an automobile be repaired at a specific facility. Also prohibits insurers from recommending or suggesting a repair facility unless the claimant requests the referral or is informed, in writing, of his or her rights.

**Last Action:** Chaptered by Secretary of State - Chapter 791, Statutes of 2003.

**SB 620 (Scott) Annuities: life insurance: required disclosures and prohibited sales practices.**

Increases the restrictions on the marketing of life insurance and annuities to senior citizens by creating new training requirements for insurance agents and brokers, requiring additional disclosures for life insurance and annuity products, and imposing restrictions on the sale of life insurance and annuities in the home of a senior.

**Last Action:** Chaptered by Secretary of State - Chapter 547, Statutes of 2003.

**SB 686 (Ortiz) Long-term care facilities: insurance: Medi-Cal reimbursement.**

Requires an insurer issuing liability insurance policies to long-term health care facilities, residential care facilities for the elderly, or physicians who provide services to residents in those facilities to notify the Department of Insurance (DOI) at least 90 days prior to the date it intends to cease offering liability insurance to those facilities or physicians. Also requires insurers to report certain information on those policies to DOI, and allows the Insurance Commissioner to authorize the formation of a market assistance program to help in securing liability insurance, and to order the creation of a joint underwriting association.

**Last Action:** Chaptered by Secretary of State - Chapter 899, Statutes of 2003.

**SB 1007 (Speier) Workers' compensation: insurance policies.**

Expands the definition of "common trade or business," for purposes of association or trade group workers' compensation insurance policies, to include manufacturing facilities as identified in the North American Industry Classification System.

**Last Action:** Chaptered by Secretary of State - Chapter 641, Statutes of 2003.



# **JOBS, ECONOMIC DEVELOPMENT & THE ECONOMY**

**Honorable Mark Ridley-Thomas, Chair**

The Committee on Jobs, Economic Development, and the Economy has jurisdiction over state economic development, international trade, information and emerging technologies programs, and small business development and operations. Created in late 2000, the committee encompasses the jurisdictions of the former Committee on International Trade and Development and the Committee on Information Technology.

This year, the committee heard and approved bills that would establish new enterprise zones in California communities and authorize tourism council districts in the County of Los Angeles and the Cities of Anaheim and Garden Grove

The committee also heard several bills relative to small business. The committee approved a bill to clarify that deductions for regulated investment companies will not be allowed thereby increasing general fund revenues by approximately \$50 million in the 2003-2004 fiscal year. Other legislation will revise the California Small Business Financial Development Corporation Loan Guarantee Fund and the California Small Business Financial Development Loan Guarantee Account into a trust fund and trust fund accounts. Legislation was also approved that would require issuance of a report on the status of the state's business owned or operated by minorities, women or disabled persons and their impact on the state's economy.

With the closure of the Technology, Trade and Commerce Agency (TTCA), the committee heard and approved bills to change oversight of various programs and departments from TTCA to the Business, Transportation and Housing Agency and other state departments. The committee also heard and approved legislation to authorize the creation of international trade offices using non-state funds, if specified conditions are met and to increase the \$10,000 per quarter maximum donation for the support of trade offices. Due to the complex nature of the issues related to the international trade offices, the Select Committee on California's Foreign Trade Offices was established to focus on the procedure and criteria that should be established to ensure that future foreign trade offices will be effective.

The following are some of the key bills considered by the committee in 2003:

**AB 480 (Ridley-Thomas) Small business development.**

Authorizes the Joint Committee on Preparing California for the 21st Century, the University of California, and other entities, to issue a report on the status of the state's minority, disabled persons', and women-owned or operated businesses and their impact on the state's economy.

**Last Action:** Pending in the Senate.

**AB 716 (Chan) Small business financial development corporations.**

Makes various substantive and clarifying changes to the California Small Business Financial Development Corporation Law program which offers, among other things, loan guarantees to small business.

**Last Action:** Chaptered by the Secretary of State - Chapter 178, Statutes of 2003.

**AB 969 (Correa) California Tourism Expansion Act of 2003.**

Allows the Cities of Anaheim and Garden Grove to establish a council to promote local tourism and to finance tourism infrastructure projects.

**Last Action:** Pending in the Senate.

**AB 1182 (Ridley-Thomas) Government financing.**

Creates new financing mechanisms and efficiency measures for the California Debt and Investment Advisory Commission.

**Last Action:** Pending concurrence in Senate amendments.

**AB 1532 (Nakano) Economic development.**

Transfers from the Technology, Commerce and Trade Agency to the Business, Transportation and Housing Agency responsibility for the California Spaceport Authority, the Challenge Grant Program, and the Technology Planning Program.

**Last Action:** Chaptered by the Secretary of State - Chapter 627, Statutes of 2003.

**AB 1613 (Committee on Jobs, Economic Development, and the Economy) International trade and investment offices: private donations.**

Authorizes the Secretary of the Technology, Trade and Commerce Agency to accept private donations of over \$10,000 per quarter, per donor, for the purposes of promoting California trade and investment.

**Last Action:** Pending in the Senate.

**AB 1642 (Ridley-Thomas) Tourism.**

Authorizes creation and appointment of the Los Angeles County Tourism Advisory Committee by the Los Angeles County Board of Supervisors and allows for the creation of the Los Angeles County Tourism Marketing District.

**Last Action:** Pending in the Senate.

**SB 103 (Alpert) Corporation Tax.**

Specifies that certain tax deductions are not allowed for corporations related to distributions received from regulated investment companies.

**Last Action:** Chaptered by Secretary of State - Chapter 655, Statutes of 2003.

**SB 403 (Florez) Information technology.**

Creates the Information Technology Act of 2003, a governance structure for guiding information technology investments by the state, coordinated by a Chief Information Officer, a new State Information Technology Board, and the existing Department of Finance, each with new or additional responsibilities and powers.

**Last Action:** Pending in the Senate.

**SB 623 (Ducheny) International trade.**

Creates a structure within the Governor's Office to establish, when certain conditions are met, foreign trade offices using non-state fund. Also re-establishes the California State World Trade Commission, upon the availability of sufficient existing resources.

**Last Action:** Pending in the Senate.

# JUDICIARY

## Honorable Ellen Corbett, Chair

The Assembly Committee on Judiciary considered a number of complex and controversial issues this year, touching a wide range of substantive areas.

**Civil Rights and Discrimination.** The committee continued its efforts to protect the civil rights of Californians and to eliminate illegal discrimination. The committee passed legislation protecting employees from sexual harassment by other persons in the workplace, such as customers and delivery persons. It also acted to protect the civil rights of employees by requiring that any arbitration agreement or other waiver of employment discrimination laws be voluntary, rather than imposed on the employee as a condition of employment. The committee affirmed the right of persons with disabilities to have access to housing and businesses, and passed legislation advancing the authority of public entities to take affirmative action consistent with international law. Finally, the committee passed legislation to ensure that procedural obstacles are not imposed on state employees who seek to vindicate their rights against discrimination.

**Unfair Competition Law.** The committee considered a number of measures dealing with California's landmark consumer protection statute – the Unfair Competition Law (UCL). The committee approved a dual-house, two-bill package to amend the UCL to create important targeted consumer protections, including a requirement that, if any party in a private UCL action brought on behalf of the general public requests, a court must review and approve a settlement agreement, including any proposed attorney's fees, except as specified. The package also contained a requirement that the private plaintiff notify and submit a copy of the complaint to the State Bar of California and provided defendants in such actions with a comprehensive new notice which notes critical consumer protection rights available to all defendants sued under the UCL. The committee rejected several measures which would have substantially limited the ability of consumers to bring an unfair competition action, including a bill requiring that a consumer be harmed by the unfair or unlawful act or practice and another making any judgement approved by a court conclusive, allowing no further actions to be brought against the same defendant.

**Privacy.** The committee addressed the ever-increasing threats to the privacy rights of Californians, considering and approving legislation to increase consumers' ability to protect their private financial information. Additionally, the committee passed legislation to protect consumers from the crime of identity theft and to safeguard consumers' social security numbers.

**Tenants' Rights.** This year, the committee considered a number of measures dealing with landlord-tenant law. Measures approved by the committee provide tenants with additional recourse in dealing with substandard housing conditions, increase the limit on punitive damages for tenants who have been the subject of a retaliatory eviction and require landlords to provide an accounting of a tenant's security deposit, in an effort to deter fraudulent deductions. The committee also passed legislation providing tenants with new protections to ensure that tenants who have prevailed in an eviction action are protected from any potential unfair denial of housing by sealing court records in these actions.

**Corporate Misconduct.** The committee acted to reform the "anti-SLAPP" law to prevent it from being abused by businesses that are sued for violating public interest laws and other legal wrongs based on commercial statements and conduct. Additionally, the committee passed legislation requiring corporate disclosure of misconduct and protecting persons who blow the whistle on misconduct. The committee also acted to 1) provide the Attorney General with authority to enforce the state's corporate securities and commodities laws, 2) improve the ability of agencies to share and seek information in an investigation, and 3) create a new misdemeanor for knowingly and willfully making false statements regarding an investigation into corporate misconduct.

**Family Law.** The committee passed legislation extending to registered domestic partners most rights and responsibilities lawfully available to spouses. Additionally, the committee considered a measure declaring the Legislature's intent to reaffirm as the policy of the state a California Supreme Court decision (Burgess) ruling that a court may not prevent a custodial parent from relocating with his or her child absent a finding that the relocation would be detrimental to the child. The Burgess Court set a standard for reviewing so-called "move-away" cases under which a custodial parent seeking to relocate will most often prevail.

**Secret Settlements.** The committee once again took on the issue of secrecy agreements in litigation that threaten public safety by keeping out of the hands of the public critical information regarding nursing home abuses. To prevent further harm to the elderly, the committee passed a bill, which was recently signed by the Governor, which will provide to the public critical safety information to assist Californians when selecting a nursing home.

**Paternity.** The committee addressed the difficult issues surrounding procedures for the legal establishment of paternity, seeking to balance the interests of children in continuing to receive support with those of men who are wrongfully established, legally, as fathers. It considered two competing bills creating new procedures for challenges to paternity judgments, passing one of those measures.

**Toxic Torts.** The committee approved a measure codifying the doctrine of delayed discovery as it applies to the statute of limitations for filing a lawsuit for injury, illness or death caused by exposure to a hazardous material or toxic substance.

The following are some of the most significant bills passed by the committee during the first year of the 2003-04 Legislative Session:

**AB 17 (Kehoe) State contracts: acquisition of goods or services.**

Prohibits a state agency from entering into any contract for goods or services in the amount of \$100,000 or more with a vendor or contractor that does not provide the same benefits to an employee with a registered domestic partner that it provides to an employee with a spouse.

**Last Action:** Chaptered by Secretary of State - Chapter 752, Statutes of 2003.

**AB 68 (Simitian) Online Privacy Protection Act of 2003.**

Effective July 1, 2004, requires the operator of a web site that collects personally identifiable information to conspicuously post a privacy policy on the web site and comply with that policy. Requires the policy to identify, at a minimum, the categories of information collected and how that information could be shared.

**Last Action:** Chaptered by Secretary of State - Chapter 829, Statutes of 2003.

**AB 76 (Corbett) Employment discrimination.**

Protects California employees from harassment by clients, customers, and other non-employee third parties of their employer. Amends the Fair Employment and Housing Act (FEHA) to prohibit harassment of an employee in the workplace by a person other than an employee, agent, or supervisor of the employer. Invalidates the appellate court's rulings in Salazar v. Diversified Paratransit, Inc., which held that FEHA does not impose employer liability for harassment of an employee in the workplace by a client, customer or other third party, and thus harmonizes state and federal law regarding harassment by such persons.

**Last Action:** Chaptered by the Secretary of State - Chapter 671, Statute of 2003.

**AB 95 (Corbett) Private actions: unfair competition.**

Amends California's Unfair Competition Law (UCL) by requiring a person bringing a private action on behalf of the general public to serve a notice on each defendant of the action. An attorney who does not send the required notice may be subject to disciplinary action by the State Bar. This bill only becomes effective if SB 122 (Escutia) is enacted.

**Last Action:** Pending in the Senate.

**AB 159 (Horton, J.) State employees: discrimination action.**

Provides that, as long as a person properly exhausts his or her administrative remedies under the Fair Employment and Housing Act (FEHA), the person may bring a FEHA discrimination claim in court, without also having to exhaust his or her state civil service administrative remedies.

**Last Action:** Pending in the Senate.

**AB 205 (Goldberg) Domestic partner rights and responsibilities act.**

Enacts the California Domestic Partner Rights and Responsibilities Act of 2003, which recasts the existing Domestic Partnership Act and extends to registered domestic partners substantially all rights, benefits, and obligations of married persons under state law, with the exception of those rights, benefits, and obligations accorded only to married persons by federal law, the California Constitution, or initiative statutes. Requires the Secretary of State to establish fees for the cost of preparing and sending certain mailings and notices.

**Last Action:** Chaptered by the Secretary of State - Chapter 421, Statutes of 2003.

**AB 252 (Jackson) Paternity judgments.**

Creates a new procedure permitting a judgment of paternity to be set aside or vacated under certain circumstances. Permits a judgment establishing paternity to be set aside or vacated if genetic testing indicates that the previously established father is not the biological father of the child. Requires a motion challenging paternity to be brought before the child's 18th birthday and within certain time periods. Permits the court to deny a motion to set aside or vacate a paternity challenge if such denial is in the best interests of the child. Requires the court to inform the alleged father of his right to have genetic testing performed to determine if he is the biological father of the child.

**Last Action:** Pending in the Senate.

**AB 309 (Chu) Contracts: foreign languages.**

Requires a business that primarily negotiates certain consumer contracts in Chinese, Tagalog, Vietnamese, or Korean to provide the consumer with a written translation of the contract in that language prior to the execution of the contract.

**Last Action:** Chaptered by the Secretary of State - Chapter 330, Statutes of 2003.

**AB 408 (Steinberg) Foster children.**

Furthers the goal of achieving permanency for older children in foster care, and reducing reliance on long-term foster care for these children. Declares legislative intent that no child be emancipated from the foster care system without a connection to a committed and caring adult. Strengthens the right of any child 10 years of age or older to be notified of and present at his or her own dependency hearings. Requires social workers to make efforts to identify persons important to these children, whether family or non-family, and to include in reports to the court information on their efforts to identify such persons and the actions taken to maintain those relationships. Establishes a "prudent parent" standard for foster caregivers in order to allow foster children to engage in age-appropriate social activities such as overnight visits with friends and extracurricular and enrichment activities, without state regulation or policy preventing such participation.

**Last Action:** Chaptered by Secretary of State - Chapter 813, Statutes of 2003.

**AB 534 (Vargas) Immigration consultants: client protection.**

Revises the Immigration Consultant Act to protect clients against fraud and other improper business practices, as follows: 1) requires contracts between a client and consultant to be translated into the native language of the client; 2) requires a consultant to provide a written statement, on the consultant's letterhead and in the client's native language, showing all charges as well as all payments made by the client; 3) requires consultants to describe in writing in the client's native language the purpose for which the consultant has been hired, the actions to be taken by the consultant regarding each document to be prepared by the consultant and approximate processing times according to agency guidelines; and 4) requires consultants to add to their current office disclosures a notice stating the services the consultant provides, and the fees charged for each such service.

**Last Action:** Chaptered by the Secretary of State - Chapter 384, Statutes of 2003.

**AB 634 (Steinberg) Elder abuse actions: confidentiality.**

Establishes a state policy disfavoring confidential settlement agreements in any civil action the factual foundation for which establishes a cause of action for a violation of the Elder Abuse and Dependent Adult Civil Protection Act (EADACPA), such as financial abuse, neglect, or physical abuse. Requires a showing before a confidentiality agreement in an EADACPA proceeding may be recognized or enforced by the court. Also provides that in any civil action the factual foundation for which establishes a cause of action for a violation of the EADACPA, any information acquired through discovery that is protected from disclosure by a stipulated protective order shall remain subject to the protective order, except for information that is evidence of abuse of an elder or dependent adult.

**Last Action:** Chaptered by the Secretary of State - Chapter 242, Statutes of 2003.

**AB 647 (Nunez) Tenancy: code violations: penalties.**

Penalizes a landlord who is renting a dwelling unit that is substandard or in violation of habitability requirements, and who has failed to make repairs after being notified by a housing official of the defects. Makes the landlord liable for up to \$5,000 in special damages (instead of \$1,000) for a violation.

**Last Action:** Chaptered by the Secretary of State - Chapter 109, Statutes of 2003.

**AB 703 (Dymally) Racial discrimination: definition.**

Provides a statutory definition of "racial discrimination" that is based on the language used in the International Convention on the Elimination of All Forms of Racial Discrimination, adopted by the United Nations General Assembly, signed by the United States and ratified by the US Senate. Provides that nothing in Section 31 of Article I of the CA Constitution is to be interpreted as: a) granting an individual a private cause of action to challenge any special measures for the purpose of securing adequate advancement of those racial groups requiring protection, except as to the prohibition on preferential treatment; or, b) requiring the government to prove racial discrimination before undertaking special measures for the purpose of securing adequate advancement of those racial minority groups needing that protection, pursuant to specified provisions of the International Convention.

**Last Action:** Chaptered by the Secretary of State - Chapter 211, Statutes of 2003.

**AB 763 (Liu) Privacy: social security numbers.**

Seeks to address identity theft by providing that a social security number that is allowed to be mailed to an individual under existing law, may not be printed, in whole or in part, on a postcard or other mailer not requiring an envelope, or visible on the envelope or without the envelope having been opened.

**Last Action:** Chaptered by the Secretary of State - Chapter 532, Statutes of 2003.

**AB 1059 (Lieber) Landlord and tenant: menacing and retaliatory acts.**

Subjects a landlord to a civil penalty of up to \$2,000 if the landlord commits certain unlawful acts for the purpose of influencing a tenant to vacate a rental dwelling. Increases the punitive damages awardable against a landlord for malicious, fraudulent or oppressive retaliatory actions to a maximum of \$2,000 (from the current \$1,000 level).

**Last Action:** Chaptered by the Secretary of State - Chapter 542, Statutes of 2003.

**AB 1101 (Steinberg) Attorney-client confidences.**

Permits an attorney to reveal a client's confidential information to the extent the attorney reasonably believes the disclosure is necessary to prevent a criminal act that the attorney reasonably believes is likely to result in death of or substantial bodily harm to an individual.

**Last Action:** Chaptered by Secretary of State - Chapter 765, Statutes of 2003.

**AB 1715 (Committee on Judiciary) Employment arbitration agreements.**

Invalidates arbitration agreements between employers and employees that relate to employment practices covered by the Fair Employment and Housing Act (FEHA) that are required as a condition of employment or continued employment. It would further establish that on and after January 1, 2004, any waiver of rights or procedures under the FEHA must be knowing, voluntary, and not made as a condition of employment or continued employment. The bill also provides that an employer has the burden to prove that a waiver or arbitration agreement was knowing, voluntary, and not a condition of employment or continued employment.

**Last Action:** Vetoed.

**SB 90 (Torlakson) Tenancy: security deposits.**

Establishes specific methods and timeframes for a landlord to satisfy his or her obligation to return any unused security deposit to the former tenant and to provide an accounting of any amount that is used.

**Last Action:** Chaptered by the Secretary of State - Chapter 335, Statutes of 2003.

**SB 146 (Escutia) Contracts: Spanish translation.**

Requires a person in a trade or business who negotiates certain contracts or agreements primarily in the Spanish language to provide the consumer a translation of every term and condition in that contract or agreement, prior to the execution of that contract or agreement.

**Last Action:** Chaptered by the Secretary of State - Chapter 589, Statutes of 2003.

**SB 156 (Burton) Custody: residence of the child.**

Declares the Legislature's intent to reaffirm as the state's public policy and law a California Supreme Court ruling that a court may not prevent a custodial parent from relocating with the child absent a finding that the relocation would be detrimental to the child.

**Last Action:** Chaptered by the Secretary of State - Chapter 674, Statutes of 2003.

**SB 210 (Burton) Minors: artistic employment contracts.**

Requires that the Coogan law set-aside monies for minors employed under contracts for creative or artistic services, or for sport activities, be paid by the employer to a non-profit organization to hold and manage until distributed, if the minor's parent or guardian had not established a Coogan trust account within 180 days of the minor's commencement of employment. Expands application of the Coogan set-aside requirement to minors employed through a casting agency and restricts the deposit of those Coogan trust funds to finance institutions located in California.

**Last Action:** Chaptered by the Secretary of State - Chapter 667, Statutes of 2003.

**SB 262 (Kuehl) Buildings: access: enforcement.**

Seeks to promote compliance with disability access laws by places of public accommodation. Specifically, 1) requires the State Architect, in consultation with an appointed advisory committee, to establish a program for voluntary certification of persons desiring to be designated as building access specialists; 2) provides for the State Architect to publicize a list of such certified access specialists, to audit the performance of such persons, investigate complaints, conduct disciplinary proceedings, and to require applicants to pay fees to meet the costs of this program; 3) provides that public prosecutors enforcing disability access laws in places of public accommodation may seek civil penalties, and 4) adds county counsels to the public attorneys authorized to enforce these laws.

**Last Action:** Chaptered by Secretary of State - Chapter 872, Statutes of 2003.



**SB 331 (Romero) Toxic injuries: limitation of actions.**

Codifies the doctrine of "delayed discovery" as it applies to the statute of limitations for filing a lawsuit for illness, injury or death caused by exposure to a hazardous material or toxic substance. Specifically provides: 1) a plaintiff must bring an action no later than either two years from the date of injury or two years after the plaintiff became aware of or reasonably should have become aware of an injury; 2) that media reports regarding the hazardous material or toxic substance contamination do not, in and of themselves, constitute sufficient facts to put a reasonable person on inquiry notice that the injury or death was caused or contributed to by the wrongful act of another; and 3) that this bill does not apply to actions relating to illness or injury caused by exposure to asbestos and does not apply to medical malpractice actions subject to the Medical Injury Compensation Reform Act.

**Last Action:** Chaptered by Secretary of State - Chapter 873, Statutes of 2003.

**SB 345 (Kuehl) Tenants: evictions.**

Provides tenants with several new protections that seek to ensure that tenants who have prevailed in an eviction action are protected from any potential unfair denial of housing by sealing the court records of these actions. This bill also seeks to ensure that tenants, who are often pro per, are better able to defend themselves in an eviction action and aims to gather additional data concerning terminations of tenancies of domestic violence victims in public housing authority units.

**Last Action:** Chaptered by the Secretary of State - Chapter 787, Statutes of 2003.

**SB 434 (Escutia) Attorney General: corporate securities and commodities laws.**

Authorizes concurrent jurisdictional enforcement of the state's corporate securities and commodities laws by the Attorney General and the Department of Corporations. Increases the civil penalty for commodities act violations from \$2,500 to \$25,000, thus making it consistent with the penalty for securities act violations. Creates a new misdemeanor for knowingly and willfully making false statements in connection with an investigating into corporate misconduct.

**Last Action:** Chaptered by Secretary of State - Chapter 876, Statutes of 2003.

**SB 515 (Kuehl) Civil actions: public interest lawsuits.**

Revises who may invoke, and when, the special anti-Strategic Litigation Against Public Participation procedure for striking a lawsuit or claim on the ground that the suit or claim is based on the exercise of certain constitutional rights.

**Last Action:** Chaptered by the Secretary of State - Chapter 338, Statutes of 2003.

**SB 777 (Escutia) Whistleblowers.**

Provides additional "whistleblower" protections for refusal to perform unlawful conduct and for an employee's acts on a previous job. Requires the State Attorney General to maintain a whistleblower hotline for corporate crime and regulatory misconduct and to refer calls to the appropriate investigative or regulatory agency.

**Last Action:** Chaptered by the Secretary of State - Chapter 484, Statutes of 2003.

**SB 933 (Dunn) Victims of wrongful or coerced repatriation.**

Provides that claims against governmental authorities by U.S. citizens and legal residents of Mexican descent who were the victims of forced or coerced repatriation and/or falsely induced to emigrate from California during the period from 1929 to 1944, or their heirs or beneficiaries, who reside in the state, may bring a legal action to recover damages in any court of competent jurisdiction if the action is commenced on or before December 31, 2006.

**Last Action:** Vetoed.

# LABOR & EMPLOYMENT

**Honorable Paul Koretz, Chair**

In 2003, the Assembly Committee on Labor and Employment, under the leadership of its Chair, Assemblymember Paul Koretz, sought to promote the welfare of the working men and women of California, with particular emphasis on improving enforcement of the state's labor laws. The committee passed bills that increase penalties for various violations of the Labor Code (many of which had not been increased for decades), protect employees against unlawful retaliation for exercising their rights under the law, and make it easier for employees to collect on wage and hour judgments rendered in their favor. Legislation to prevent the state from contracting with companies using sweatshop labor was also passed by the committee.

Legislation in the agriculture industry included bills to repeal the sunset date to last year's landmark mediation law and to ban the debilitating use of hand-weeding in agricultural operations.

The committee also passed important legislation to allow employees to pursue civil penalties against their employer for violations of the Labor Code. Currently, such penalties are may only be recovered by the state's enforcement agencies. Additionally, the committee passed legislation to grant a bid preference to public transit contractors that agree to retain the existing employees for at least 90 days.

Additional important legislation passed by the committee included bills to protect employees from discrimination based on gender; to establish a "living wage" for certain state contractors; to strengthen protections for employees of car washes; and to require timely prevailing wage determinations.

Some of the key bills the committee considered during the first year of the 2003-2004 Legislative Session include:

**AB 196 (Leno) Discrimination: gender.**

Includes gender, as defined, in the definition of sex for purposes of employment and housing discrimination law.

**Last Action:** Chaptered by the Secretary of State - Chapter 164, Statutes of 2003.

**AB 274 (Koretz) Employment retaliation.**

Creates a rebuttable presumption that certain adverse employment actions taken against employees within 60 days of exercising protected rights under the Labor Code is retaliatory.

**Last Action:** Vetoed.

**AB 276 (Koretz) Penalties: labor code violations.**

Increases penalties for specified violations of the Labor Code, many of which have not been increased in decades, and earmarks a portion of the increase to a fund dedicated to educating employers about their responsibilities under state law.

**Last Action:** Chaptered by the Secretary of State - Chapter 329, Statutes of 2003.

**AB 1093 (Lieber) Living wage.**

Enacts the "California Living Wage Act," which requires the state and qualified contractors and subcontractors to pay not less than a living wage, as defined, to all employees performing work under qualified contracts.

**Last Action:** Vetoed.

**AB 1133 (Koretz) Satisfaction of judgments.**

Establishes a penalty equal to the amount of the original judgment for employers that fail to pay wage and hour judgments for more than six months after the judgment has been made final and the time to appeal has lapsed. The penalty would be applied no more than four times.

**Last Action:** Vetoed.

**AB 1418 (Laird) Labor: violations.**

Establishes minimum penalties relating to violations of prevailing wage requirements, and requires the Contractors State License Board to make information regarding certain contractors available on its web site for willful violations of labor laws.

**Last Action:** Chaptered by Secretary of State - Chapter 849, Statutes of 2003.

**AB 1688 (Goldberg) Car wash: regulation.**

Establishes a system to regulate the employment of workers in the car washing and polishing industry that would include an annual employer registration fee and creation of a Car Wash Worker Restitution Fund to reimburse employees for unpaid wages, penalties and other related damages.

**Last Action:** Chaptered by Secretary of State - Chapter 825, Statutes of 2003.

**AB 1719 (Committee on Labor and Employment) Occupational safety and health: complaint notification.**

Requires the Department of Occupational Safety and Health (OSH) to notify the complainant within 14 calendar days of OSH taking action on a complaint. Also requires the OSH to annually compile and release on its Web site information on complaints received and actions taken. Requires OSH to provide the Bureau of Investigation (BOI) any documents it determines will be helpful to BOI's investigation of a case.

**Last Action:** Chaptered by Secretary of State - Chapter 884, Statutes of 2003.

**AB 1723 (Committee on Labor and Employment) Employment Development Department: layoff posting.**

Requires the Employment Development Department to make available, on its Web site and in its monthly report, information relating to mass-layoffs, relocations, and terminations.

**Last Action:** Pending in the Senate.

**SB 75 (Burton) Agricultural labor relations: mediation.**

Makes various changes to last year's agriculture mediation law, including eliminating the January 1, 2008 sunset date.

**Last Action:** Chaptered by Secretary of State - Chapter 870, Statutes of 2003.

**SB 158 (Alarcón) Displaced public transit employees.**

Establishes a bidding preference for public transit service contractors and subcontractors who agree to retain existing employees for at least 90 days.

**Last Action:** Chaptered by the Secretary of State - Chapter 103, Statutes of 2003.

**SB 179 (Alarcón) Financially sufficient contracts.**

Establishes liability for a person or entity that enters into specified contracts when they know or should know that the contract does not provide funds sufficient to allow the contractor to comply with all applicable laws or regulations governing the labor or services. Establishes a rebuttable presumption of compliance where the written contract meets specified requirements.

**Last Action:** Chaptered by Secretary of State - Chapter 908, Statutes of 2003.

**SB 578 (Alarcón) Public contracts: sweatshop labor.**

Expands existing law to prohibit contracts involving state agencies that utilize sweatshop labor.

Expands existing law to cover domestic-made or laundered goods or services. Prohibits contracting between state agencies and any contractor that does not satisfy the requirements of an enumerated "Sweatfree Code of Conduct."

**Last Action:** Chaptered by the Secretary of State, Chapter 711, Statutes of 2003.

**SB 796 (Dunn) Labor law violation: civil action.**

Establishes civil penalties where not already provided for violation of the Labor Code. Authorizes an aggrieved employee to bring a civil action to recover civil penalties where a state agency does not do so, with 50 percent of the penalties going to the General Fund, 25 percent of the penalties going to the Labor and Workforce Development Agency, and 25 percent of the penalties going to the aggrieved employees.

**Last Action:** Chaptered by Secretary of State - Chapter 906, Statutes of 2003.

# LOCAL GOVERNMENT

**Honorable Simón Salinas, Chair**

The Committee on Local Government shares with the Committee on Housing and Community Development jurisdiction on legislation dealing with the housing element of general plans. This year saw another spate of bills on the subject, such as AB 1160 and AB 1426 (Steinberg), which were supported by housing advocates but opposed by many local governments. Others measures, such as AB 980 (Salinas) and AB 1158 (Lowenthal), which attempted to streamline the process by which local governments obtain certification of their housing elements from the Department of Housing and Community Development (HCD), had local government support but were opposed by housing advocates. Given the wide range of these bills and the continued polarization of much of the debate, Assemblymember Salinas advocated a temporary moratorium on housing element legislation until the work group led by HCD has had an opportunity to meet and make recommendations.

Other issues before the committee that were the subject of significant debate included, but were not limited to, allowing local governments to assess local income taxes AB 1690 (Leno); electronic recordation of legal documents such as deeds and titles AB 578 (Leno); requiring local governments in the San Joaquin Valley to incorporate air quality components into their general plans AB 170 (Reyes); and authorizing the inclusion of capital costs in the monthly utility service rates charged to public agencies, such as the University of California AB 1051 (Goldberg).

Among the key bills considered by the committee during the first year of the 2003-04 Legislative Session were the following:

**AB 51 (Simitian) General plans: child care facilities.**

Requires cities and counties to identify categories of land use, if any, that provide for child care facilities, except family day care homes, no later than one year after the next regularly scheduled revision of the land use element of their general plans that occurs after January 1, 2004.

**Last Action:** Vetoed.

**AB 170 (Reyes) Air quality element: San Joaquin Valley.**

Requires cities and counties within the jurisdiction of the San Joaquin Valley Air Pollution Control District to amend existing elements of their general plans to include goals, policies, and strategies for improving air quality.

**Last Action:** Chaptered by Secretary of State - Chapter 472, Statutes of 2003.

**AB 332 (Mullin) Airports: land use commissions.**

Requires a local agency that overrides an airport land use commission decision to provide notice of its proposed decision to the commission and Caltrans and to include in its published decision responses by the airport land use commission and Caltrans.

**Last Action:** Chaptered by Secretary of State - Chapter 351, Statutes of 2003.

**AB 504 (Yee) Parks and recreation: park and open-space districts: penalties.**

Increases the fines for misdemeanors and infractions resulting from violations of park and open space districts' ordinances, rules and regulations.

**Last Action:** Chaptered by Secretary of State - Chapter 106, Statutes of 2003.

**AB 518 (Salinas) Local agency formation.**

Requires a local agency formation commission to assess how a local agency annexation will impact a city or city and the county in achieving its respective fair share of the regional housing needs. Extends, from January 1, 2004 to January 1, 2005, the sunset date for the Broadmoor Police Protection District's special detachment provisions.

**Last Action:** Chaptered by Secretary of State - Chapter 176, Statutes of 2003.

**AB 728 (Leno) Real estate: subdivisions.**

Makes it easier for developers to finance condominium projects by allowing them to (1) make binding pre-sale contracts with potential buyers earlier in the construction process, and (2) retain enough of the buyer's deposit to cover actual damages suffered when a buyer of a pre-sold unit defaults on the contract. Also establishes an exception to the existing "liquidated damages" statute for contracts for the sale of residential property.

**Last Action:** Chaptered by Secretary of State - Chapter 434, Statutes of 2003.

**AB 839 (Salinas) Local government records: recordings: public transit systems.**

Requires transit agencies, when installing new security monitoring systems, to install equipment capable of storing at least one year of recorded images unless specified conditions apply.

**Last Action:** Chaptered by the Secretary of State - Chapter 564, Statutes of 2003.

**AB 867 (Nakano) Controller: penalties.**

Authorizes the State Controller to waive penalties for late filing of specified financial reports by county auditors and financial officers of local agencies upon a satisfactory showing of good cause, which is consistent with the Controller's authority for other local government reports. Authorizes the Controller to review each case individually to determine whether a fine is appropriate.

**Last Action:** Chaptered by Secretary of State - Chapter 86, Statutes of 2003.

**AB 944 (Steinberg) Property and business improvement areas: benefit assessments.**

Allows Property and Business Improvement Districts to use bonds to finance public works and to levy assessments on business owners to pay for the bonds.

**Last Action:** Chaptered by Secretary of State - Chapter 763, Statutes of 2003.

**AB 1051 (Goldberg) Capital facilities fees.**

Authorizes a public agency utility to charge public agency customer's rates or charges on the same basis as comparable nonpublic users, except for "capital facilities fees," which a public agency utility must negotiate with schools, public higher education, and state agencies.

**Last Action:** Vetoed.

**AB 1117 (Matthews) Grazing lands: payments.**

Requires the Controller to pay federal grazing fee revenues to counties under the same formula that the federal government uses to collect the fees.

**Last Action:** Chaptered by Secretary of State - Chapter 131, Statutes of 2003.

**AB 1172 (Berg) Joint powers agreement: public agencies.**

Declares that the Elk Valley Rancheria Tribal Council, as the governing body of the Elk Valley Rancheria, a federally recognized Indian tribe, may enter into a joint powers agreement (JPA) with Del Norte County and/or Crescent City. However, it prohibits the resulting JPA from authorizing or issuing Marks-Roos Act bonds unless the public works are owned and maintained by the authority or its public members, and the revenue stream to repay the bonds come from the authority or one or more of its public members.

**Last Action:** Chaptered by Secretary of State - Chapter 39, Statutes of 2003.

**SB 83 (Soto) Local agency assessments.**

Includes assessments among taxes, fees and charges that are deemed “not increased,” for purposes of Proposition 218, if they are increased according to a schedule of adjustments adopted before November 6, 1996, thus allowing a local government that properly adopted an assessment or standby charge prior to Prop. 218 to implement those scheduled increases.

**Last Action:** Vetoed.

**SB 114 (Torlakson) Financial assistance: relocation of vehicle dealers and big box retailers.**

Eliminates the authority of a redevelopment agency or local agency to provide any form of financial assistance to a vehicle dealer or big box retailer that is relocating from one community to another community within the same market area.

**Last Action:** Chaptered by Secretary of State - Chapter 781, Statutes of 2003.

**SB 303 (Torlakson) Local agency facilities.**

Clarifies that local agencies may choose an alternative method of compensating developers for public works within community facilities districts by authorizing local officials to pay builders for completed portions or phases of public works projects paid for under the Mello-Roos Act.

**Last Action:** Chaptered by Secretary of State - Chapter 55, Statutes of 2003.

**SB 487 (Torlakson) District annexations: local agency formation commissions.**

Strengthens a local agency formation commission’s (LAFCO’s) role over local boundaries by requiring a special district to explain why it wants to block an annexation by requiring the district to make written findings supported by substantial evidence when it requests that a LAFCO terminate a proceeding that includes annexation of territory.

**Last Action:** Chaptered by Secretary of State - Chapter 123, Statutes of 2003.

**SB 491 (Ducheny) Local government: housing elements.**

Extends by one year the statutory deadline for all cities and counties to complete the fourth revision of their housing elements.

**Last Action:** Chaptered by Secretary of State - Chapter 58, Statutes of 2003.



# **NATURAL RESOURCES**

**Honorable Hannah-Beth Jackson, Chair**

The Committee on Natural Resources has jurisdiction over issues related to the state's most important environmental issues. This year the committee's work focused primarily on open space and park acquisition, protection against the expansion of offshore oil drilling, coastal erosion, state lands, air pollution in the face of weakened federal air quality laws, electronic waste recycling, wild and scenic rivers, and forestry.

## **Strengthening Farmland Protection**

The Williamson Act, which helps preserve California's farmland by providing a property tax reduction to owners who agree not to convert their land to nonagricultural uses for a specified period of time, does not impose penalties for the construction of an incompatible structure on land restricted by a Williamson Act contract. Since the state reimburses local jurisdictions for the amount of property tax revenue that they forego because of Williamson Act contracts, it is important to assure that the Williamson Act achieves its farmland preservation goals.

### **AB 1492 (Laird) Agricultural land conservation.**

Amends current provisions of the Williamson Act by 1) creating a new procedure for identifying contract breaches; 2) providing an alternative method for removing land from contract restrictions, and 3) extending from 2004 to 2009 the sunset date on Williamson Act lot-line adjustments. Makes the construction of a new non-agricultural structure, on land subject to a Williamson Act contract, a breach of the contract if the structure is commercial, industrial, or residential structure and is at least 2,500 square feet.

**Last Action:** Chaptered by Secretary of State - Chapter 694, Statutes of 2003.

## **Protecting California's Coastline**

Protecting one of California's most valuable assets, its 1,100 mile coastline, remained an important focus of the committee's work again this year. Contributing to nearly 40 percent of the state's economy, through tourism and other activities, California's coastline remains under intense environmental pressures including pollution runoff, development and access issues. The committee heard legislation critical to clarifying the constitutionality of the California Coastal Commission. Additionally, the committee approved legislation banning the use of oil tankers and barges for the transportation of oil from all new or expanded offshore wells.

### **AB 1xx (Jackson) California Coastal Commission: membership.**

Requires that members of the CA Coastal Commission appointed the Legislature serve fixed four-year terms. Specifically and narrowly addresses a CA Court of Appeals decision that called into question the constitutionality of the membership of the commission as it relates to the serving of "at will" terms by legislative appointees to the commission.

**Last Action:** Chaptered by Secretary of State - Chapter 1, Statutes of 2003-04 Second Extraordinary Session.

**AB 16 (Jackson) Oil and gas development: pipelines.**

Requires that all oil produced offshore in new or expanded oil extractions be transported onshore by pipeline only, and that all pipelines used to transport this oil onshore utilize the best achievable technology to ensure maximum protection of public health and safety and of the integrity and productivity of terrestrial and marine ecosystem.

**Last Action:** Chaptered by Secretary of State – Chapter 420, Statutes of 2003.

**Water Quality and Timber Harvesting**

Recently published research has highlighted the impacts of timber harvesting on the quality of California's rivers and other water bodies. These impacts primarily involve sediments released and deposited in rivers as a result of land disruption from heavy equipment used in logging and the removal of trees and other vegetation in the course of logging, which leaves the soil exposed and more susceptible to erosion and transport by rain and wind. Sediment discharged into rivers can adversely affect fish and other wildlife dependent on rivers as habitat or for foraging, can reduce the quality of drinking water and increase the cost of treating it for human consumption, and can impair recreational and aesthetic enjoyment of rivers and lakes.

**SB 810 (Burton) Natural resources: timber harvesting.**

Makes proposed timber harvesting along sediment impaired watercourses subject to evaluation by regional water quality control boards under applicable basin plans prepared pursuant to the Porter-Cologne Water Quality Control Act of 1969. Most sediment impaired watercourses are located along the North Coast, and about 90 percent of North Coast watercourses are listed by the U.S. Environmental Protection Agency as sediment impaired. This review would be in addition to the review of timber harvesting plans conducted by the Department of Forestry and Fire Protection pursuant to the Z'berg-Nejedly Forest Practice Act of 1973.

**Last Action:** Chaptered by Secretary of State - Chapter 900, Statutes of 2003.

**Environmental Justice at the Local Level**

Existing law, SB 115 (Solis) – Chapter 690, Statutes of 1999, SB 89 (Escutia) – Chapter 728, Statutes of 2000, focuses exclusively on addressing environmental justice issues at the state level. No state policy exists to address these issues at the local level; however, local governments address environmental justice issues on a daily basis. Most citizen community advocates do not possess the resources to raise their issues at the state level, thus resulting in harsh and bitter fights at the local level. These bills provide local governments with a policy framework to address environmental justice concerns at the local level.

**AB 1497 (Montanez) Solid waste facilities: permits.**

Requires a landfill owner to include in its closure and postclosure plan provisions for the re-employment and retraining of the solid waste landfill's contract employees, including truck drivers and waste haulers. Provides new mandates on local governments for public participation and environmental justice protections for landfills that are filing permits to expand.

**Last Action:** Chaptered by Secretary of State - Chapter 823, Statutes of 2003.

## **Proposition 50**

With the passage of Proposition 50 by the voters in November 2002, California's natural resources were spared some of the potentially devastating effects caused by the state's budget deficit. Money from Proposition 50, as well as continuing appropriations from Propositions 12, 13 and 40, will go toward acquisition of important coastal and upland properties in the state, providing valuable habitat, publicly accessible open space, and discouraging development sprawl.

Anticipated acquisitions include the Cargill properties in the southern portion of the San Francisco Bay, which will result in an intensive recapturing of valuable wetland habitat, the Ballona Wetlands area of Los Angeles—one of the last major wetlands remaining in this urban area, and the Ahmanson Ranch property in Ventura County.

Proposition 50 will also enable agencies to continue valuable water quality monitoring, nonpoint source pollution diversion, and promote environmental friendly industry practices.

Specific legislation considered by the committee included:

### **AB 859 (Nakano) Ballona Wetlands: acquisition and protection.**

Reappropriates \$25 million of Proposition 12 (Villaraigosa-Keeley Act) Bond funds to the State Coastal Conservancy in order to acquire, protect, and restore the Ballona Wetlands.

**Last Action:** Chaptered by Secretary of State - Chapter 761, Statutes of 2003.

### **SB 666 (Bowen) Ballona Wetlands: acquisition and protection.**

Provides statutory authority to transfer 62 acres for wetland preservation in the Ballona Wetlands fronting on Santa Monica Bay, north of the Los Angeles International Airport. This transaction is coordinated with the pending acquisition and conveyance of an additional 483 acres, which the State will obtain partly by purchase and partly by donation. The various related land transactions result in the state obtaining title to a total of 545 acres.

**Last Action:** Chaptered by Secretary of State - Chapter 739, Statutes of 2003.

## **Air Quality**

The California Air Resources Board and air districts are charged with meeting federal and state air quality standards. Failure to meet those standards can result in federal sanctions, loss of substantial federal highway funding, or federal agency assumption of the state and local agencies' duties in maintaining those standards. Among other issues, the state's most recent State Implementation Plans, which are required under the federal Clean Air Act, have included specific commitment by the state to reduce smog-causing substances.

Several state air districts face increasing challenges to meet air quality mandates.

The federal government, under the direction of President Bush, has taken significant steps to weaken federal clean air laws. As a result, the state legislature has responded by approving bills, such as:

**SB 288 (Sher) Air quality: Protect California Air Act of 2003: South Coast Air Quality Management District: air pollution control fees.**

Ensures that, to the extent that federal standards are decreased, this state must maintain its air quality standards in at least as good a position as they existed prior to 12-30-02. Specifically, prohibits an air district from amending or revising its new source review program to cover fewer or modified pollution sources than under the district's new source review program as it existed December 30, 2002, or amending or revising its new source review program so that any rule or regulation is less stringent for the protection of air quality than the rules and regulations as they existed on that date. Extends until January 1, 2010 the authority of the South Coast Air Quality Management District to impose a \$1 fee on the renewal of registration of any motor vehicle in the district, and requires the district to utilize the revenues generated by the imposition of that fee to reduce air pollution from motor vehicles through the implementation of a clean-burning fuel program.

**Last Action:** Chaptered by Secretary of State - Chapter 476, Statutes of 2003.

**SB 656 (Sher) Air quality: particulate matter.**

Establishes timelines and requirements for the California Air Resources Board and local air pollution control districts to reduce particulate matter emissions from diesel powered engines used in stationary and mobile source applications. Authorizes a district to exempt a stationary source from a control measure if the district determines the source is acting to achieve those emission reductions through an approved incentive or emission reduction program.

**Last Action:** Chaptered by Secretary of State - Chapter 738, Statutes of 2003.

**SB 700 (Florez) Air quality: emissions: stationary sources: agricultural operations.**

Eliminates the current particulate matter air permit exemptions for agriculture. Requires, by January 1, 2006, each air district in a "serious" federal nonattainment area for particulate matter to adopt and implement best available control measures for agricultural stationary sources of air pollution. Directs the California Pollution Control Financing Authority to assist in the funding of air pollution control equipment. Requires, by January 1, 2005, the state Air Resources Control Board to review all available scientific information and develop a definition of a "large confined animal facility." Requires, not later than January 1, 2006, each district that is designated as a federal nonattainment area for ozone as of January 1, 2004, to require the owner of a large confined animal facility, to obtain a permit from the district to reduce, to the maximum extent feasible, emissions of air contaminants from the facility.

**Last Action:** Chaptered by Secretary of State - Chapter 479, Statutes of 2003.

**SB 705 (Florez) Air quality: agricultural burning: San Joaquin Valley Unified Air Pollution Control District.**

Phases out open field burning of agricultural waste in the San Joaquin Valley by the year 2010. Requires the San Joaquin Valley Unified Air Pollution Control District to adopt rules regulating the burning of diseased crops and burning for weed control.

**Last Action:** Chaptered by Secretary of State - Chapter 481, Statutes of 2003.

**SB 709 (Florez) San Joaquin Valley Unified Air Pollution Control District: district board.**

Authorizes the San Joaquin Valley Unified Air Pollution Control District (District) to adopt regulations requiring the use of best available control technology for new and modified sources of pollution, promote the use of cleaner burning alternative fuels, and encourage and facilitate ride-sharing. Authorizes the District to impose a \$1 fee on motor vehicle registration renewals to fund air pollution reductions activities related to motor vehicles.

**Last Action:** Chaptered by Secretary of State - Chapter 483, Statutes of 2003.

**Renewable Energy**

With the continuing energy crisis in California, the Natural Resources committee focused on providing incentives for clean renewable energy in California. For many years, every major power plant proposed in California has been fueled by natural gas. Some have attributed the severity of the current energy crisis to an over-reliance on natural gas. If the trend in private development of power plants continues as expected, the state's reliance on natural gas will increase. The California Energy Commission is currently working on increasing the amount of renewable energy on-line throughout the state and has a set goal of 17 percent by 2006.

The committee heard several bills pertaining to renewable energy resources in California that attempted to assist Californians in meeting the energy demands of the state. The existing programs at the California Energy Commission provide incentive programs that include rebates, tax credits, and other incentives to consumers. The bills the committee heard this year include, continuing work on the Public Interest Energy Research Program, increasing opportunities for new renewable power and providing small business incentive for renewable resources.

**Diverting and Recycling Solid Waste in California**

In the last several years, the build up of electronic wastes (commonly referred to as "e-waste") has become a significant environmental. Yet, state and local government have no programs to address this segment of the waste stream. This year, SB 20 (Sher) addressed this mounting issue by creating a system within both the Department of Toxics Substances Control and the Integrated Waste Management Board to collect and recycle California's e-wastes. The committee, along with the Committee on Environmental Safety and Toxic Materials spent numerous hours working on developing a program to provide for both the convenient collection of e-waste from consumers and provide for manufacturer responsibility from the electronics industries.

In addition to e-waste, the committee also spent time working on updating and revising the existing beverage container and recycling act (commonly referred to as the "bottle bill").

**AB 28 (Jackson and Pavley) Public resources: Recycling, beverage containers.**

Makes a number of structural changes to the bottle bill, including increasing the California Redemption Value to 5 cents, increasing funding of market development programs for recycled plastics, decreasing the amount of money paid by beverage manufacturers and authorizes a pilot program of potentially more cost effective recycling programs for consumers.

**Last Action:** Chaptered by Secretary of State - Chapter 753, Statutes of 2003.

**SB 20 (Sher) Solid waste: hazardous electronic waste.**

Enacts the Electronic Waste Recycling Act of 2003 to provide for the convenient recycling of electronic devices in California. The devices covered by the measure include cathode ray tubes, cathode ray tube devices, flat panel screens, or other video display devices with a screen size that is greater than four inches in size measured diagonally and which, when discarded or disposed, would be a hazardous waste under regulations set by Department of Toxic Substances Control. On and after July 1, 2004, the bill imposes an electronic waste recycling fee between \$6 and \$10 (depending on the size of the electronic device) upon the purchase of an electronic device from a retailer.

**Last Action:** Chaptered by Secretary of State - Chapter 526, Statutes of 2003.

# **PUBLIC EMPLOYEES, RETIREMENT & SOCIAL SECURITY**

**Honorable Gloria Negrete-McLeod, Chair**

Under the direction of its Chair, Assemblymember Gloria Negrete-McLeod, the Assembly Committee on Public Employees, Retirement and Social Security heard bills designed to improve benefits for public employees, simplify the administration of the retirement law for CalPERS and CalSTRS, and ratify tentative labor agreements between state employees and the Governor.

Among the key bills considered by the committee during the first year of the 2003-04 Legislative Session were:

**AB 55 (Correa) County employees' retirement: additional retirement credit.**

Authorizes a county board of supervisors, in counties operating retirement systems under the County Employees Retirement Law of 1937, to allow active members of the retirement system to purchase up to five years of service credit for additional retirement credit, upon approval of the County Board of Supervisors.

**Last Action:** Chaptered by the Secretary of State - Chapter 261, Statutes of 2003.

**AB 109 (Dymally) Public school employers: unlawful acts.**

Makes it unlawful for a public school employer to provide substantially inaccurate or misleading information regarding its financial resources during contract negotiations in response to a request for information by the labor organization.

**Last Action:** Chaptered by the Secretary of State - Chapter 276, Statutes of 2003.

**AB 199 (Oropeza) Public transit employer-employee relations.**

Establishes the Los Angeles County Metropolitan Transportation Authority (MTA) Transit Employer-Employee Relations Act, governing employee relations for supervisor employees in MTA. Creates a comprehensive statute governing employer-employee relations for supervisors employed by the MTA, which clearly delineates their rights, and creates an administrative procedure under the Public Employment Relations Board to resolve labor disputes, such as unfair practice charges, for supervisors employed by the MTA.

**Last Action:** Chaptered by Secretary of State - Chapter 833, Statutes of 2003.

**AB 268 (Mullin) State employment: supervisorial training.**

Requires that the training provided to newly appointed state supervisors include training on employment law relating to persons with disabilities.

**Last Action:** Chaptered by the Secretary of State - Chapter 165, Statutes of 2003.

**AB 290 (Firebaugh) Classified employees: notice of layoff.**

Requires school and community college districts to provide classified school employees with 45 days notice of layoff and to require short-term employees to be given layoff notices before permanent classified employees are laid off.

**Last Action:** Chaptered by Secretary of State - Chapter 880, Statutes of 2003.

**AB 310 (Kehoe) Employee bargaining units: salary deductions.**

Requires the governing board of a school district and the governing board of a community college district that collects or deducts dues, agency fees, fair share fees, or any other fee or amount of money from an employee's salary for the purpose of transmitting the money to an employee organization, to transmit the money to the employee organization within 15 days of issuing the paycheck containing the deduction. Prohibits a school district and a county office of education from requesting, and the Board of Education from granting, a waiver of compliance with this provision.

**Last Action:** Chaptered by the Secretary of State - Chapter 344, Statutes of 2003.

**AB 375 (Bermudez) State employees: memoranda of understanding.**

Ratifies memoranda of understanding for State Bargaining Units 1, 4, 7, 9, 10, 11, 12, 13, 14, 15, 17, 20 and 21.

**Last Action:** Chaptered by the Secretary of State - Chapter 615, Statutes of 2003.

**AB 918 (Chan) Classified employees.**

Provides that classified K-12 and community college employees working outside of their regular assignments during the school year are to receive compensation and benefits for the additional assignment at the regular classified pay rate for the additional assignment.

**Last Action:** Chaptered by the Secretary of State - Chapter 280, Statutes of 2003.

**AB 977 (Diaz) State employees: memoranda of understanding: State Bargaining Unit 9.**

Provides for the ratification of a memorandum of understanding between the state employer and State Bargaining Unit 9, represented by the Professional Engineers in California Government.

**Last Action:** Chaptered by the Secretary of State - Chapter 616, Statutes of 2003.

**AB 1038 (Negrete-McLeod) Classified school employees.**

Grants classified school employees the same rights that certificated employees have with regard to a reorganization of a special education program, and provides parity regarding personal necessity leave.

**Last Action:** Chaptered by Secretary of State - Chapter 843, Statutes of 2003.

**AB 1070 (Laird) Classified school employees: reclassification.**

Reduces, from three to two years, the minimum time period of employment within a class to be eligible for reclassification. The bill's provisions are limited to classified school employees in merit system K-12 and community college districts.

**Last Action:** Chaptered by the Secretary of State - Chapter 181, Statutes of 2003.

**AB 1082 (Laird) Public employee health care benefits: domestic partners.**

Allows the Public Employees' Retirement System to recognize a contracting local agency's definition of domestic partners for the purpose of providing health care benefits to the domestic partners of the local agency's employees.

**Last Action:** Chaptered by Secretary of State - Chapter 764, Statutes of 2003.



**AB 1141 (Diaz) Meyers-Milias-Brown Act: agency shop agreements.**

Deletes confidential and supervisory employees from the statutory list of employees for which an agency shop "fair share" fee arrangement does not apply.

**Last Action:** Chaptered by the Secretary of State - Chapter 311, Statutes of 2003.

**AB 1207 (Corbett ) State teachers' retirement: retirement incentive.**

Allows school and community college districts to provide two early retirement options for members of the Defined Benefit Program, as follows: (1) two additional years of service credit, or (2) two additional years of service credit along with two years added to the employee's age factor.

**Last Action:** Chaptered by the Secretary of State - Chapter 313, Statutes of 2003.

**SB 269 (Soto) Public employees' retirement: manager compensation.**

Allows the State Public Employees Retirement System and the State Teachers' Retirement System Boards of Administration to determine the compensation of certain key positions, further providing that these determinations must be guided by the principles contained in statutes governing the creation of salary ranges for each class or position.

**Last Action:** Chaptered by Secretary of State - Chapter 856, Statutes of 2003.

**SB 439 (Senate Public Employment and Retirement Committee) State employees: memoranda of understanding: State Bargaining Units 5 and 8.**

Provides for the ratification of a memorandum of understanding between the state employer and State Bargaining Units 5 and 8.

**Last Action:** Chaptered by the Secretary of State - Chapter 617, Statutes of 2003.

**SB 440 (Burton) Employer-employee relations: law enforcement officers and firefighters.**

Provides that the governing body of an employer agency may, by unanimous vote, reject the decision of an arbitration panel except as specifically provided to the contrary in a city, county, or city and county charter with respect to the rejection of an arbitration award.

**Last Action:** Chaptered by Secretary of State - Chapter 877, Statutes of 2003.

# **PUBLIC SAFETY**

## **Honorable Mark Leno, Chair**

The Committee on Public Safety has jurisdiction over all issues affecting the functioning of the criminal justice system, such as: crime prevention, capital punishment, asset forfeiture, criminal procedure, juvenile delinquency, drug enforcement, peace officers, and state youth and adult correctional facilities. Under the strong guidance of Chairman Mark Leno, the focus of the committee has been to enact legislation that contributes to the decreasing crime rate in California by emphasizing community policing, investing in juvenile crime prevention programs and using technology to create novel apprehension strategies.

### **Gun Control**

In 2003, the Assembly continued to enact common-sense gun control measures. The committee passed legislation to prohibit the sale of .50 caliber rifles and require citizens to report stolen or lost handguns.

### **Crime Prevention**

Recognizing that public safety is enhanced by a comprehensive strategy of prevention, enforcement, and prosecution, the committee passed such diverse measures as establishing special court procedures for developmentally disabled victims, authorizing campus police departments to inform members of the campus community regarding registered sex offenders, continuing the community law enforcement and recovery demonstration project in Los Angeles, and creating a task force to study criminal justice system responses to domestic violence.

### **Identity Theft**

Law enforcement estimates that one out of every four Americans has been victimized by the rapidly growing crime of identity theft: when someone uses personal information of another to make unauthorized purchases or transactions. Often the victim is completely unaware of the crime until he or she is denied credit, or discovers an empty bank account. The committee has responded to the growing problem of identity theft by making it easier for a victim to obtain information about unauthorized requests for credit that have been made in the victim's name and to punish those who legally obtain personal identifying information but later use it for unlawful purposes.

Key bills considered by the committee in the first year of the 2003-2004 session include:

#### **AB 6 (Cohn) Crime.**

Expands the application of the existing alternate felony/misdemeanor penalty for manufacturing, possessing for sale, selling, or renting, more than 1,000 copies of pirated audio recordings or 100 copies of a pirated audiovisual work, by lowering the copy threshold to 100 copies of a pirated audio recording.

**Last Action:** Pending in the Senate.

**AB 20 (Lieber) Victims of crime.**

Adds provisions to several codes to protect the rights of developmentally disabled persons, other dependent persons and elderly persons in court. Redefines the term "dependent adult" by deleting the limitation that the person is between the ages of 18 and 64 years old. Expands the provisions on abuse and theft crimes against dependent adults. Creates a jury instruction to be used when a dependent person is a witness.

**Last Action:** Pending in the Senate.

**AB 46 (Simitian) Identity theft.**

Prohibits any private or public university from using a student's social security number for identification in a manner that is available to the public or to an unauthorized third party. Exempts from this prohibition disclosures or uses of social security numbers authorized under the federal Family Educational Rights and Privacy Act.

**Last Action:** Pending in the Senate.

**AB 50 (Koretz) .50 Caliber BMG rifles.**

Adds the .50 caliber BMG rifle to the list of dangerous weapons and creates new felonies for the manufacture and sale or possession without a permit of this firearm.

**Last Action:** Pending in the Senate.

**AB 319 (Frommer) Firearms: prohibitions: juvenile offenders.**

Adds the offenses of possession of a concealed or loaded firearm, and permitting a loaded firearm to be brought into a vehicle, to the list of convictions that prohibits a juvenile from having under his or her custody or control any firearm until the age of 30 years.

**Last Action:** Chaptered by Secretary of State - Chapter 490, Statutes of 2003.

**AB 383 (Cohn) Criminal procedure.**

Requires a defendant charged with a misdemeanor domestic violence offense or a violation of a domestic violence protective order to be present at any time during the proceedings when ordered by the court for the purpose of being informed of the conditions of a domestic violence protective order.

**Last Action:** Chaptered by Secretary of State - Chapter 29, Statutes of 2003.

**AB 522 (Diaz) Local officers and employees: identity of individuals.**

Provides that to the extent permitted by federal law, every city, county, and city and county officer or employee shall accept for purposes of personal identification an identification card issued by the Mexican Consulate Office, or Matricula Consular, as equivalent to a driver's license or identification card issued by the DMV, except when possession of a valid driver's license is required by law.

**Last Action:** Vetoed.

**AB 580 (Nunez) Firearms.**

Provides that a person who, following successful completion of probation, has obtained dismissal of the underlying charges, cannot legally possess a firearm, whether handgun or long gun, if the underlying offense includes or results in a firearm possession ban.

**Last Action:** Chaptered by Secretary of State - Chapter 49, Statutes of 2003.

**AB 898 (Chu) DNA evidence: Sexual Assault Victims' DNA Bill of Rights.**

Enacts the Sexual Assault Victims DNA Bill of Rights, which includes the following provisions: (1) law enforcement is required to inform victims of sexual assault if they intend to not analyze DNA evidence within the statute of limitations; (2) law enforcement is required to inform victims of sexual assault if they intend to destroy or dispose of rape kit or other crime scene evidence prior to the expiration of the statute of limitations; (3) authorize but not require law enforcement to inform interested sexual assault victims of the status of DNA evidence testing, as specified; and (4) enumerate specified rights for sexual assault victims "subject to the availability of local resources.

**Last Action:** Chaptered by Secretary of State - Chapter 537, Statutes of 2003.

**AB 949 (Pavley) Criminal procedure: limitations of time.**

Provides that the statute of limitation in specified child sexual abuse cases will be tolled from the time a party initiates litigation until the end of that litigation.

**Last Action:** Chaptered by Secretary of State - Chapter 2, Statutes of 2003.

**AB 985 (Vargas) Vehicles: motor vehicle speed contest: punishment.**

Increases the penalty for engaging in a speed contest if it results in great bodily injury to a person other than the defendant.

**Last Action:** Pending in the Senate.

**AB 991 (Negrete-Mcleod) Peace officer training.**

Develops and disseminates guidelines and standardized training recommendations for all law enforcement officers, supervisors, and managers whose agency assigns them to perform, supervise, or manage Special Weapons and Tactics operations.

**Last Action:** Chaptered by Secretary of State - Chapter 624, Statutes of 2003.

**AB 1105 (Jackson) Identity theft: limitations period.**

Adds the crimes of identity theft and filing false documents to the list of offenses for which the statute of limitations does not begin to run until discovery of the offense.

**Last Action:** Chaptered by Secretary of State - Chapter 73, Statutes of 2003.

**AB 1119 (Wesson) Law enforcement agencies.**

Provides that commencing January 1, 2005, every local law enforcement agency employing more than 100 peace officers must develop regulations for an Early Intervention System establishing procedures and responsibilities for the tracking and review of reportable incidents and behavior patterns of peace officers that warrant intervention. The system must provide an array of timely, non-disciplinary, corrective steps to remedy any incipient problems or deficiencies in a peace officer's performance, policy, strategy, or tactics.

**Last Action:** Pending in the Senate.

**AB 1290 (Jackson) Firearms: prohibitions.**

Prohibits a person subject to a stalking emergency protective order, or an elder abuse restraining order, from owning, purchasing, possessing or receiving a firearm while that order is in effect.

**Last Action:** Chaptered by Secretary of State - Chapter 495, Statutes of 2003.

**AB 1301 (Simitian) Alcoholic beverages and controlled substances: minors.**

Makes it a misdemeanor for a parent or legal guardian who knowingly permits his or her child, or a person in the company of the child, who are under the age of 18 years, to consume an alcoholic beverage or use a controlled substance at the home of the parent or legal guardian if specified conditions are met

**Last Action:** Chaptered by Secretary of State - Chapter 625, Statutes of 2003.

**AB 1313 (Parra) Sex offenders.**

Extends the current sunset on Megan's Law to January 1, 2007. Authorizes campus police to release printed information regarding the presence of a registered sex offender on campus and sex offender registration information to members of the campus community.

**Last Action:** Chaptered by Secretary of State - Chapter 634, Statutes of 2003.

**AB 1383 (Wesson) Peace officers: training and counseling.**

Requires the Commission on Peace Officer Standards and Training (POST) to provide training materials on racial and cultural trends to law enforcement agencies. Requires the topics of anger management, frustration tolerance, and information regarding past damage awards for peace officer abuse cases be incorporated by POST into existing training courses. Provides that every person who becomes a peace officer on or after January 1, 2004, and who is employed by a local law enforcement agency is entitled to consult with an independent licensed mental health provider on a one-time, one-visit basis, once every 4 years, at agency expense.

**Last Action:** Pending in the Senate.

**SB 356 (Alpert) Sex offenders.**

Authorizes the police department of any school district to have the same authority as any other law enforcement agency with respect to the public release of information concerning the presence of high-risk sex offenders in their community. Includes school district police departments as one of the enumerated law enforcement entities authorized to receive sex offender registry information from the State Department of Justice.

**Last Action:** Chaptered by Secretary of State - Chapter 538, Statutes of 2003.

**SB 420 (Vasconcellos) Medical marijuana**

Establishes a fee-based, statewide, voluntary, program of ID cards for eligible persons legally authorized to use marijuana for medicinal purposes. A cardholder would be immune from arrest and prosecution for possession, transportation, or cultivation of medicinal marijuana for one year, at which time the card would have to be renewed. Nothing in the bill authorizes any individual or group to cultivate or distribute marijuana for profit, but qualified patients or primary caregivers may possess up to eight ounces of dried marijuana and may maintain up to six mature or 12 immature plants, with certain exceptions. The Attorney General would develop guidelines to ensure security and non-diversion of medicinal marijuana.

**Last Action:** Chaptered by Secretary of State - Chapter 875, Statutes of 2003.

# **REVENUE & TAXATION**

**Honorable Ed Chavez, Chair**

The Committee on Revenue and Taxation has jurisdiction over virtually all matters involving tax law changes. Most of the legislation involves the four taxes which generate the most revenue – personal income taxes, the largest source of General Fund revenue; bank and corporation taxes, another significant General Fund revenue source; sales and use taxes, the second largest source of state General Fund revenue and the largest source of discretionary revenue for certain local governments; and property taxes, another significant source of discretionary revenue for local governments. Within these areas, our committee acted on the following significant topics during 2003:

## **Collecting Taxes Legally Owed To The State**

The committee passed several bills aimed at ensuring that the state is able to collect taxes it is legally owed. Taken together, these measures are expected to increase state revenues by over \$300 million annually without raising taxes.

AB 1601 (Frommer) and SB 614 (Cedillo) represent comprehensive anti-tax shelter bills that increase the penalties on those who market and/or invest in abusive tax shelters and that provide the Franchise Tax Board with more tools to pursue those believed to be marketing and/or investing in abusive tax shelters. SB 103 (Alpert) closes a loophole used by certain banks to avoid taxation. SB 1064 (Burton) prevents taxpayers from converting a manufacturers investment credit carryover into a refundable credit via sales and use tax refunds. SB 640 (Burton) prevents certain corporations that shelter income offshore from contracting with the State of California.

SB 1009 (Alpert) places a line on the state's income tax form, allowing individuals and businesses to satisfy their use tax liabilities when they send in their income tax payments. AB 71 (Horton) creates a licensing program for cigarette retailers and distributors designed to reduce black market sales of cigarettes and other tobacco products.

## **Modest, But Important Targeted Tax Relief**

In this year of tight budgets, the committee passed only those measures deemed most necessary. Two of the measures enacted to ensure fairness include AB 243 (Vargas), which increases the tax-free housing allowance for state-employed clergy and AB 322 (Parra), which allows the spouse of a disabled veteran to continue receiving the disabled veterans' property tax exemption when her husband goes into the hospital.

## **Continuing Economically Vital and Socially Responsible Tax Expenditures**

The committee also extended the sunset dates on a handful of worthy tax measures set to expire. SB 760 (Scott) allows the lease-leaseback sales tax exemption to continue, thereby allowing local governments to save tens of millions of dollars annually on their transit purchases. SB 808 (Karnette) reinstates the bunker fuel sales tax exemption and extended its sunset date by ten years, allowing California's ports to compete with other Pacific ports that serve the shipping industry.

AB 137 (Correa) allows the California Fund for Senior Citizens income tax check-off to remain on the tax form for another five years, while SB 43 (Cedillo) grants the Emergency Food Assistance Fund checkoff another five years on the state's income tax form.

### **Expanding Access To Health Insurance**

In this year of tight budgets, the committee also passed a revenue-neutral measure intended to encourage agricultural businesses and contractors who employ farmworkers to provide them with health insurance. AB 923 (Firebaugh) repeals some of the targeted sales tax exemptions granted to the agricultural industry two years ago and uses the money saved from the repeal to enact sales tax exemptions for small farmers and income tax credits for farmworker employers that provide health insurance to their employees.

#### **AB 71 (Horton) Tobacco products: state and local government.**

Creates the California Cigarette and Tobacco Products Licensing Act of 2003. Establishes a statewide licensing program for tobacco manufacturers, importers, wholesalers, distributors and retailers administered by the State Board of Equalization for monitoring and collection of excise taxes, and it imposes additional criminal and civil penalties on violators of tobacco-related tax laws.

**Last Action:** Chaptered by Secretary of State - Chapter 890, Statutes of 2003.

#### **AB 137 (Correa) Income taxes: designated contributions: senior citizens.**

Extends the sunset date on the California Fund for Senior Citizens tax checkoff to January 1, 2010.

**Last Action:** Chaptered by Secretary of State - Chapter 376, Statutes of 2003.

#### **AB 243 (Vargas) State chaplains: salary: rental allowance.**

Increases from 25 percent to 50 percent the amount of a state minister's gross salary that he or she may deduct for housing purposes.

**Last Action:** Chaptered by Secretary of State - Chapter 428, Statutes of 2003.

#### **AB 263 (Oropeza) Bank and corporation taxes: deduction: insurance company dividends.**

Allows taxpayers that own 80 percent or more of a subsidiary engaged in an insurance business a deduction for 80 percent of dividends received from that subsidiary. The deduction would be allowed regardless of whether the insurance company is engaged in business in California.

**Last Action:** Pending in the Senate.

#### **AB 322 (Parra) Disabled veteran's property tax exemption.**

Extends the disabled veteran's property tax exemption for those veterans confined to a hospital or other care facility to property owned in whole or in part by the veteran's spouse if the veteran would principally reside there if not for the confinement. The same extension applies to property owned by the veteran if it was his or her principal residence at the time of confinement.

**Last Action:** Chaptered by Secretary of State - Chapter 278, Statutes of 2003.

**AB 923 (Firebaugh) State taxes: health care.**

Provides tax credits to agricultural employers who provide health insurance to their agricultural employees. The bill is funded by repealing selected agricultural sales and use tax exemptions enacted during the last several years, including farm production equipment and machinery, diesel fuel for use in farming activities, racehorse breeding stock, etc. However, the bill includes a sales and use tax exemption for qualified person, defined as \$250,000 or less in gross receipts from the sale of agricultural products in a calendar year, for the purchase of farm equipment, machinery, and diesel fuel. It also provides a one-year sales and use tax exemption for purchase of farm tractors used primarily in producing and harvesting agricultural products. The bill also authorizes the Employment Development Department (EDD) to charge qualified taxpayers applying for the credit a fee to cover the EDD's administrative costs.

**Last Action:** Pending in the Senate.

**AB 1601 (Frommer) Administration of taxes: tax shelters: penalties.**

Enacts a comprehensive set of changes increasing penalties for investors, promoters, and organizers of abusive tax shelters and enhances the Franchise Tax Board's ability to pursue those individuals. It also creates a voluntary compliance program for taxpayers engaged in abusive tax shelters whereby taxpayers who voluntarily come forward and pay all tax and interest due as a result of their use of abusive tax shelters can avoid the enhanced penalties.

**Last Action:** Chaptered by Secretary of State - Chapter 654, Statutes of 2003.

**SB 43 (Cedillo) Taxpayer contributions: Emergency Food Assistance Program. Fund.**

Extends to January 1, 2009 the Emergency Food Assistance Program Fund income tax checkoff.

**Last Action:** Chaptered by Secretary of State - Chapter 317, Statutes of 2003.

**SB 103 (Alpert) Sales and use taxes.**

Clarifies that dividends received by a California corporate shareholder from a regulated investment company, i.e., mutual funds, are generally not excludable from the income of that corporate shareholder.

**Last Action:** Chaptered by Secretary of State - Chapter 655, Statutes of 2003.

**SB 157 (Bowen) Sales and use taxes: uniformity.**

Creates the Streamlined Sales Tax Project Act and a governing board enabling California to participate in the Streamlined Sales and Use Tax Agreement (SSUTA). The SSUTA is an effort created by state governments, with input from local governments and the private sector, to simplify and modernize sales and use tax collection and administration. The bill merely provides a structure for state participation. Any agreements must be done by a separate act of the Legislature.

**Last Action:** Chaptered by Secretary of State - Chapter 702, Statutes of 2003.

**SB 566 (Scott) Transactions and use tax: maximum allowable rate.**

Allow counties to increase their maximum combined rate of transactions and uses taxes from 1.5 percent to 2 percent and cities to levy a transaction and use tax of 0.25 percent or a multiple thereof. Such increases must be approved by a 2/3 vote of the governing board and a majority vote of the electorate if for general use or a 2/3 vote of the electorate if for a specific purpose.

**Last Action:** Chaptered by Secretary of State - Chapter 709, Statutes of 2003.



**SB 614 (Cedillo) Tax shelters.**

Increases the penalties imposed with respect to tax avoidance and abusive tax shelters and requires the Franchise Tax Board to develop and administer a voluntary compliance initiative to apply to tax liabilities attributable to the use of abusive tax avoidance transactions for taxable years beginning before January 1, 2004.

**Last Action:** Chaptered by Secretary of State - Chapter 656, Statutes of 2003.

**SB 640 (Burton) Public contracts: expatriate corporations.**

Establishes the California Taxpayer and Shareholder Act of 2003 prohibiting a state agency from entering into any agreement or contract with a publicly held expatriate corporation or its subsidiary. Allows a state department or a state agency to contract with a publicly held expatriate corporation only if the contract is necessary to meet a compelling public interest, and the state department or agency makes a written finding describing the compelling public interest. Requires Franchise Tax Board to approve termination of Water's Edge Election, upon request of all members, to permit state contracting with an expatriate corporation.

**Last Action:** Chaptered by Secretary of State - Chapter 657, Statutes of 2003.

**SB 760 (Scott) Sales and use taxes: exemptions: public passenger vehicles.**

Extends, from Jan. 1, 2004 to Jan. 1, 2009, the state and local sales and use tax exemption for the sale and leaseback of public passenger transportation vehicles.

**Last Action:** Chaptered by Secretary of State - Chapter 597, Statutes of 2003.

**SB 808 (Karnette) Sales and use taxes: exemptions: bunker fuel.**

Reinstates, until January 1, 2014, a sales and use tax exemption for bunker fuel that is used by water common carriers after reaching their first out-of-state destination. The previous exemption expired January 1, 2003.

**Last Action:** Chaptered by Secretary of State - Chapter 712, Statutes of 2003.

**SB 1009 (Alpert) Use tax collection: public contracts: income tax forms.**

Requires the Franchise Tax Board to add a line or lines to the state's income tax forms allowing taxpayers to self-report their use tax liabilities. It also prevents state departments and agencies from contracting with any vendors or contractors that lack a valid seller's permit or have not registered with the Board of Equalization.

**Last Action:** Chaptered by Secretary of State - Chapter 718, Statutes of 2003.

**SB 1064 (Burton) Income and corporation tax appeals: sales and use tax credit.**

Provides that a taxpayer may not request a sales tax reimbursement in lieu of the income and franchise tax credit in an amount that exceeds the Manufacturer Investment Credits that would have reduced the net tax of the taxpayer. Also requires the approval of at least 3 Board of Equalization members to modify certain actions of the Franchise Tax Board.

**Last Action:** Chaptered by Secretary of State - Chapter 606, Statutes of 2003.

# TRANSPORTATION

**Honorable John Dutra, Chair**

The Committee on Transportation, under the strong chairmanship of Assemblyman John Dutra, considered bills to make it easier for stalking victims to have their Department of Motor Vehicles (DMV) records suppressed; and to require transit agencies to equip ticket vending machines with audio instructions for visually impaired persons.

The committee reviewed bills that would overhaul the rules regarding the operation of automated traffic enforcement systems (red light cameras), curb the use of 15-passenger vans by school districts and state universities; make it illegal to drive a vehicle with video screens in view of the driver; allow for quicker removal of abandoned vehicles; and tighten confidentiality provisions for residence addresses in DMV records.

Some of the key bills considered by the committee during the first year of the 2003-2004 Legislative Session included:

**AB 45 (Simitian) Vehicles.**

Makes it an infraction, effective January 1, 2005, to drive a motor vehicle while using a wireless telephone, unless that telephone is designed and configured to allow hands-free operation, and is used in that manner while driving.

**Last Action:** Pending in the Senate.

**AB 184 (Lowenthal) Department of Motor Vehicles: records.**

Provides that participation in the Safe at Home program for victims of domestic violence, stalking or certain other crimes, is sufficient evidence for inclusion in the State Department of Motor Vehicles records suppression program. Safe At Home is a no-cost mail forwarding service designed to help victims of domestic violence, stalking and reproductive health care service providers, employees, volunteers and patients keep their new addresses confidential.

**Last Action:** Chaptered by Secretary of State - Chapter 720, Statutes of 2003.

**AB 213 (Leslie) Vehicles: manufacturers: disclosure.**

Requires a manufacturer of a new motor vehicle sold or leased in this state, which is equipped with one or more recording devices commonly referred to as "sensing and diagnostic modules," or a "event data recorders" to disclose that fact in the owner's manual for the vehicle.

**Last Action:** Chaptered by Secretary of State - Chapter 427, Statutes of 2003.

**AB 260 (Jackson) State highways: litter control.**

Requires the Department of Transportation to assign a high priority to litter control along state highways adjoining environmentally sensitive areas.

**Last Action:** Chaptered by Secretary of State - Chapter 489, Statutes of 2003.

**AB 299 (Lowenthal) Vehicles: taxicabs and passenger vehicles for hire.**

Requires the impoundment of a taxicab or other "for hire" passenger vehicle if reasonable cause is established to show that the vehicle is operating in violation of local taxicab licensing requirements. Prohibits limousines from advertising as being taxicabs. Addresses the long-standing problem statewide of so-called 'bandit' cabs and other for hire vehicles who are not licensed, or if licensed, operate outside of their licensure authority, in many cases do not have any insurance, are often poorly maintained, are often very difficult for enforcement to catch, and in general, constitute a public safety hazard.

**Last Action:** Chaptered by Secretary of State - Chapter 658, Statutes of 2003.

**AB 301 (Reyes) Vehicles: video displays.**

Prohibits a driver from viewing a video monitor, television or video screen, video signal, or a similar device while operating a motor vehicle.

**Last Action:** Chaptered by Secretary of State - Chapter 303, Statutes of 2003.

**AB 327 (Runner) Vehicles: parking: persons with disabilities: violations.**

Allows a local court to assess a \$100 penalty for violations of disabled parking placards to be used specifically to enforce existing laws relative to those identified parking spots. Requires the State Department of Motor Vehicles to print the amount of fines on applications for a disabled parking placard, and on all placards issued on or after January 1, 2005.

**Last Action:** Chaptered by Secretary of State - Chapter 555, Statutes of 2003.

**AB 377 (Chan) Vehicles: exhaust systems: whistle-tip.**

Prohibits and penalizes the use of and the business of installing whistle-tips, which is a device that is added to the exhaust system that is designed to create a high-pitched or screeching noise.

**Last Action:** Chaptered by Secretary of State - Chapter 432, Statutes of 2003.

**AB 467 (Dutra) Transit operators: ticket machines: access for visually impaired persons.**

Requires that ticket vending machines for transit systems be equipped with audio instructions for visually impaired persons whenever ticket machines are improved or replaced with machines with video instructions.

**Last Action:** Chaptered by Secretary of State - Chapter 141, Statutes of 2003.

**AB 478 (Ridley-Thomas) Vehicle: removal: disposal.**

Provides that the amount of time a public agency may, (rather than mandatory) as is current law, wait after sending a notice to the vehicle's owner prior to disposing of a suspected abandoned vehicle is 15 days. Increases the maximum dollar value, from \$300 to \$500, of a vehicle that may qualify for disposal. Reduces the costs of storing and disposing of abandoned vehicles by reducing the time a vehicle must be held prior to disposal.

**Last Action:** Chaptered by Secretary of State - Chapter 67, Statutes of 2003.

**AB 575 (Dutra) Motor carriers: transporting hazardous materials and substances.**

Requires the vehicles used by transporters of hazardous materials to be equipped with devices that indicate the vehicle's location and that allow external disabling of the vehicle or a device that the Department of the California Highway Patrol determines is at least as effective in deterring hijacking as a disabling device.

**Last Action:** Pending in the Senate.

**AB 626 (Liu) Vehicles: 15-passenger vans.**

Prohibits all school districts, the California Community Colleges, and the California State University from allowing the operation of 15-passenger vans unless driven by persons holding a Class B commercial license.

**Last Action:** Chaptered by Secretary of State - Chapter 559, Statutes of 2003.

**AB 844 (Nation) Replacement Tire Efficiency Program.**

Requires the State Energy Resources Conservation and Development Commission to develop a statewide replacement tire efficiency program to promote the use of fuel-efficient tires.

**Last Action:** Pending in the Senate.

**AB 1022 (Oropeza) Vehicles: automated enforcement systems.**

Allows local governments to contract out the operation of red-light cameras and similar traffic enforcement devices. Prohibits incentives or bonuses based on the number of citations issued.

**Last Action:** Chaptered by Secretary of State - Chapter 511, Statutes of 2003.

**AB 1303 (Simitian) Vehicles: license plates: display: persons with disabilities.**

Provides that it is not a violation of the requirement that license plates be mounted in a position so as to be clearly visible if the reading or recognition of a license plate is obstructed or impaired by a wheelchair lift or wheelchair carrier and the license plate is a special identification license plate or the vehicle displays a disabled parking placard.

**Last Action:** Chaptered by Secretary of State - Chapter 626, Statutes of 2003.

**AB 1409 (Wolk) Buses: length limitation.**

Allows buses that exceed 40 feet in length to have a front-mounted device used to transport bicycles.

**Last Action:** Chaptered by Secretary of State - Chapter 399, Statutes of 2003.

**AB 1675 (Longville) Vehicles: Department of Motor Vehicles: records.**

Until January 1, 2007, prohibits attorneys' access to confidential Department of Motor Vehicle records for the purpose of collecting fees or delinquent charges by a private parking facility.

**Last Action:** Chaptered by Secretary of State - Chapter 649, Statutes of 2003.

**AB 1697 (Pavley) Vehicles: child passenger restraint system.**

Requires children under the age of 6 or weighing less than 60 lbs. to be seated in the rear seat in an approved child restraint seat.

**Last Action:** Chaptered by Secretary of State - Chapter 524, Statutes of 2003.

**SB 60 (Cedillo) Vehicles: social security account number: driver's licenses: identification cards.**

Makes several changes regarding the eligibility requirements for an original driver's license or identification (ID) card, including 1) allowing persons who do not have legal presence in the United States to be eligible to apply for a California driver's license or ID card, 2) permitting license applicants to submit a federal taxpayer ID number or other identifier or number that is deemed appropriate by the Department of Motor Vehicles rather than a social security number, 3) requires the DOJ and the DMV to study the feasibility of developing a biometric system; 4) provides that an individual eligible to renew a license by mail is not required to appear at the DMV in person.

**Last Action:** Chaptered by Secretary of State - Chapter 326, Statutes of 2003.

# UTILITIES & COMMERCE

Honorable Sarah Reyes, Chair

The Assembly Committee on Utilities and Commerce dealt with a number of key issues this year in energy and telecommunications policy. The committee sought to provide stability in a post energy crisis environment and focused attention on energy regulation, developing a core/noncore electricity service model, energy agency consolidation, and reinstating direct access without shifting costs to bundled ratepayers.

Other energy bills that passed the committee dealt with requiring power generators who import energy from northern Mexico to pay an air containment mitigation fee to the state as well as encouraging the development of alternative forms of electricity generation like fuel cell technology. Another measure passed by the committee provides back-up generation during Stage 1, 2 and 3 emergencies using modified diesel and alternative fuel generators. Finally, the committee passed a number of natural gas infrastructure enhancements measures aimed at reducing the cost of natural gas and increasing the reliable supply of natural gas in the state.

The committee approved several measures relating to telecommunications, including a telecommunications consumers bill of rights and legislation to provide grants to construct telecommunications facilities and provide basic telecommunications service in parts of the state with lower median incomes and without adequate telephone service.

Among the key bills considered by the committee during the first year of the 2003-04 Legislative Session are:

**AB 151 (Vargas) Air pollution: importation of electrical energy: mitigation fee.**

Requires any person importing electrical energy into the state to pay an air contaminant emission mitigation fee if the source of the electricity is located in Mexico, within 100 kilometers of the US, was not constructed using the best available control technology for air contaminants and shares an air basin with an air pollution control or air quality management district. Authorizes the State Air Resources Board, beginning January 1, 2006, to reduce that fee to a lower amount, upon making a determination that the lower fee would further enhance reductions of emissions of air contaminants.

**Last Action:** Pending in the Senate.

**AB 428 (Richman) Electrical corporations: core, noncore, and core-elect customers.**

Establishes a new core/non-core energy program, modeled on natural gas service, with the intent of moving large customers off the electricity grid and allowing them to purchase energy via direct access or through long-term contracts.

**Last Action:** Pending in the Senate.

**AB 808 (Canciamilla) Energy: agency consolidation.**

Creates a cabinet-level Energy Agency with the responsibility for planning, development, and implementation of all major aspects of the state energy policy. The Agency, with a Secretary appointed by the Governor, shall be outlined in a reorganization plan submitted for study and recommendation to the "Little Hoover" Commission by May 1, 2004 and to the Legislature by July 1, 2004. The Energy Agency will consist of, at a minimum, a merged CA Consumer Power and Conservation Financing Authority, State Energy Resources Conversation and Development Commission (California Energy Commission) as well as all energy policy making functions and energy conservation programs and oversight currently performed by the Public Utilities Commission.

**Last Action:** Pending in the Senate.

**AB 816 (Reyes) Local publicly owned electric utilities: Public Utilities Commission: direct transactions.**

Reinstates the ability of retail customers to acquire electricity from suppliers other than an investor owned utility, i.e., direct access. Contains intent language regarding subsequent legislation insuring no cost shifting from direct access customers to customers of investor owned utilities.

**Last Action:** Pending in the Senate.

**AB 855 (Firebaugh) Telecommunications: access to state property for wireless facilities: California Teleconnect Fund Administrative Committee Fund: Digital Divide Account.**

Requires that 15 percent of the revenues derived from new leases of state-owned property to wireless telecommunications providers be redirected from the General Fund to a separate account, administered by the State Public Utilities Commission for the purpose of funding a "Digital Divide" grant program.

**Last Action:** Chaptered by Secretary of State - Chapter 820, Statutes of 2003.

**AB 909 (Reyes) Telecommunications: local and long-distance service.**

Requires, through Jan. 1, 2007, that any service package including both local and long-distance telephone service include, as part of the regular billings or for customers buying a set number of minutes for a fixed price, a breakdown showing the total minutes of use in the billing period under one telephone number for toll and long distance service usage.

**Last Action:** Chaptered by Secretary of State - Chapter 565, Statutes of 2003.

**AB 1214 (Firebaugh) Net energy metering: fuel cell customer-generators.**

Requires electrical corporations to provide net energy metering to fuel-cell customer generators.

**Last Action:** Chaptered by Secretary of State - Chapter 661, Statutes of 2003.

**AB 1329 (Levine) Public Utilities Commission: telecommunications.**

Enacts a telecommunications consumers' bill of rights. Among the enumerated rights are a right to disclosure (rates, charges, terms, conditions, etc.), choice (of products and services), and privacy (protection from unauthorized use of records and personal information).

**Last Action:** Pending in the Senate.

**AB 1340 (Kehoe) Petroleum: information reports.**

Require an oil refiner, oil producer, petroleum product transporter, petroleum product marketer, petroleum product pipeline operator, and terminal operator to submit a weekly (as opposed to monthly) report, as required by the energy commission, relating to receipts, inventory levels, imports, exports, transportation, sources, and prices. It permits any person required to submit this information to request that specific information be held in confidence.

**Last Action:** Chaptered by Secretary of State - Chapter 692, Statutes of 2003.

**AB 1379 (Calderon) Telecommunications: mobile telephone service.**

Requires wireless carriers to provide subscribers with a means to access information on their roaming usage and charges.

**Last Action:** Chaptered by Secretary of State - Chapter 333, Statutes of 2003.

**AB 1685 (Leno) Energy: self-generation incentive program: peak reduction.**

Extends the sunset of the Self-Generation Incentive Program, administered by the Public Utilities Commission, until January 1, 2008. The Program is designed to subsidize the growth of solar electricity generation in California. It requires that combustion-operated distributed generation projects meet specific emissions targets in order to qualify for Self-Generation Incentive Program rebates. It also revises the definition of "ultra-clean" and "low-emission distributed generation" to include electric generation technologies that commence operation prior to December 31, 2008.

**Last Action:** Chaptered by Secretary of State - Chapter 894, Statutes of 2003.

# VETERANS AFFAIRS

**Honorable Nicole Parra, Chair**

During the 2003-2004 Legislative Session, the Assembly Committee on Veterans Affairs, under the guidance of its Chair, Assemblymember Nicole M. Parra, responded to the needs of California's veterans with legislation that assured all veterans access to state and local low-income housing programs and protected military discharge papers from identity theft. Through regular and informational hearings, the committee continued its bipartisan commitment to ensure accountability and quality of care for all veterans residing in California's veterans' homes.

In the aftermath of the September 11 tragedy, brave American soldiers, sailors airmen and marines were called to arms in the Middle East to guarantee the security of the nation and the world. The committee called on the nation's airlines, the U.S. Congress and the President to reinstate military airfares similar to those that enabled Vietnam-era soldiers to visit their families before going off to war.

The following are a list of key bills that passed the committee during the first year of the 2003-2004 Legislative Session:

**AB 322 (Parra) Disabled veteran's property tax exemption.**

Extends the disabled veteran's property tax exemption for those veterans confined to a hospital or other care facility to property owned in whole or in part by the veteran's spouse if the veteran would principally reside there if not for the confinement. The same extension applies to property owned by the veteran if it was his or her principal residence at the time of confinement.

**Last Action:** Chaptered by Secretary of State - Chapter 278, Statutes of 2003.

**AB 669 (Cohn) Public contracts; disabled veteran business enterprises.**

Requires small businesses and disabled veteran business enterprises to perform commercially useful functions, in relation to any contract those businesses are awarded. Imposes civil penalties against any person that knowingly and fraudulently represents that a commercially useful function is being performed by a disabled veteran business enterprise, a small business, or a microbusiness in order to obtain or retain a state contract. Revises the definition of disabled veteran to require that the veteran have at least a 10% service-connected disability and live in California.

**Last Action:** Chaptered by Secretary of State - Chapter 623, Statutes of 2003.

**AB 1036 (Mullin) Cal-Vet Farm and Home Loans.**

Increases the expenditure limits on the purchases of mobilehomes and farms under the Veterans' Farm and Home Purchase Act. Allows second loans in which the Department of Veterans Affairs' security interest is subordinate to an existing loan and authorizes the DVA to waive the down payment in specified instances. Authorizes the use of specified funds for deferred payments on second mortgage loans.

**Last Action:** Chaptered by the Secretary of State - Chapter 441, Statutes of 2003.



**AB 1594 (Committee on Veterans Affairs) Discrimination against veterans.**

Prohibits providers of emergency shelter or transitional housing from restricting occupancy on the basis of military veteran status, in the same manner that such provider is prohibited from discriminating against a person because of sex or because the person is 24 years of age or younger. Thus, emergency shelters, transitional housing, and shelters/housing that offers specialized treatment for a veteran suffering from physical or mental disability, substance abuse, or the long-term effects of homelessness would not be able to turn away qualified homeless veterans.

**Last Action:** Chaptered by Secretary of State - Chapter 776, Statutes of 2003.

**AJR 5 (Parra) Relative to the Vietnam Veterans Memorial Education Center.** Memorializes the President and the Congress to take steps to design and construct the Vietnam Veterans Memorial Education Center in Washington, D.C.

**Last Action:** Chaptered by the Secretary of State - Resolution Chapter 20, Statutes of 2003.

**AJR 21 (Longville) Relative to lifetime medical benefits for retired United States military personnel.**

Memorializes the President and Congress of the United States to enact legislation to provide free lifetime medical care for those who serve at least 20 years in the U.S. military.

**Last Action:** Chaptered by the Secretary of State - Resolution Chapter 99, Statutes of 2003.

**SB 544 (Chesbro) Veterans: recorded documents.**

Requires, if any military veteran requests the recordation of any military discharge document, including a veteran's service form DD214, that the county recorder must require the veteran to sign a form that acknowledges that the document becomes a public document subject to inspection.

**Last Action:** Chaptered by Secretary of State - Chapter 301, Statutes of 2003.

**SB 1008 (Machado) Veterans: contracts: disabled veteran business enterprises.**

Changes the definition of disabled veterans business enterprise (DVBE) for purposes of state contracting, increases reporting requirements for state DVBE certification, and increases penalties for fraudulent practices regarding the DVBE program.

**Last Action:** Chaptered by Secretary of State - Chapter 632, Statutes of 2003.

**SCR 43 (Machado) Women Veterans' Highway.**

Designates a specified portion of State Highway Route 99 as the Women Veterans' Highway.

**Last Action:** Chaptered by Secretary of State - Res. Chapter 129, Statutes of 2003.

# **WATER, PARKS & WILDLIFE**

**Honorable Joe Canciamilla, Chair**

The Committee on Water, Parks and Wildlife has considered a number of important environmental issues this session, ranging from marine fisheries to water quality.

One very important issue is the Quantification Settlement Agreement (QSA). The QSA resolves longstanding issues among the water districts in California that deliver water from the Colorado River. The agreement is the centerpiece of the effort to reduce California's use of the Colorado River to 4.4 million acre feet. The committee considered and passed three bills to implement the QSA: SB 277 (Ducheny), SB 317 (Kuehl), and SB 654 (Machado).

The committee also considered bills to protect commercial fisheries, and to govern the cleanup of groundwater basins that have been contaminated by substances such as MTBE and perchlorate. The committee passed, and assisted in negotiating, a comprehensive reform of the Streambed Alteration Agreement process.

The following are some of the key bills considered by the committee during the first year of the 2003-04 Legislative Session:

## **AB 314 (Kehoe) Desalination.**

Declares state policy that desalination projects be given the same opportunities for state assistance and funding as other water supply projects.

**Last Action:** Chaptered by Secretary of State - Chapter 206, Statutes of 2003.

## **AB 514 (Kehoe) Water meters.**

Requires urban water suppliers that receive water from the federal Central Valley Project to install water meters on all service connections by March 2013.

**Last Action:** Chaptered by Secretary of State - Chapter 680, Statutes of 2003.

## **AB 1296 (Berg) Krill.**

Protects krill, a shrimp-like creature, from commercial harvest in state waters and up to 200 miles offshore in the absence of federal law regulating the taking of krill.

**Last Action:** Chaptered by Secretary of State - Chapter 218, Statutes of 2003.

## **AB 1354 (Berg) Commercial Fisheries Capacity Reduction Account.**

Establishes a fee that will pay for the buy-out of fishing boats in certain distressed fisheries.

**Last Action:** Chaptered by Secretary of State - Chapter 514, Statutes of 2003.

## **SB 277 (Ducheny) Quantification Settlement Agreement.**

Enacts the Salton Sea Restoration Act, to restore aquatic and wildlife habitat and protect the water quality of the Salton Sea.

**Last Action:** Chaptered by Secretary of State - Chapter 611, Statutes of 2003.

**SB 317 (Kuehl) Quantification Settlement Agreement.**

Authorizes, under certain conditions, the "take" of fully protected species in connection with projects that implement the QSA.

**Last Action:** Chaptered by Secretary of State - Chapter 612, Statutes of 2003.

**SB 418 (Sher) Streambed alteration agreements.**

Revises provisions governing the process by which public agencies, utilities or other entities seek permission from the Department of Fish and Game for a project that results in the alteration of any streambed.

**Last Action:** Chaptered by Secretary of State - Chapter 736, Statutes of 2003.

**SB 654 (Machado) Quantification Settlement Agreement.**

Authorizes the Department of Fish and Game to enter into a joint powers agreement with the Coachella Valley Water District, the Imperial Irrigation District and the San Diego County Water Authority, to implement the QSA.

**Last Action:** Chaptered by Secretary of State - Chapter 613, Statutes of 2003.

**SB 692 (Kuehl) Bay-Delta Sportfishing Enhancement Stamp.**

Establishes a stamp program for the San Francisco Bay and Delta system to enhance sportfishing opportunities.

**Last Action:** Chaptered by Secretary of State - Chapter 796, Statutes of 2003.

**SB 833 (Machado) Eastern Water Alliance Joint Powers Agency.**

Authorizes the Eastern Water Alliance Joint Powers Agency (JPA) to grant funds to a member public agency for purposes of assisting that member public agency in acquiring water under specified conditions and to be granted funds by the San Joaquin County Board of Supervisors; authorizes the JPA to impose an annual plan implementation charge on landowners within its boundaries, and makes other changes to relevant sections of the Water Code.

**Last Action:** Chaptered by Secretary of State - Chapter 740, Statutes of 2003.

**SB 1004 (Soto) Cleanup or Abatement Orders: Contaminated Drinking Water.** Provides that a cleanup and abatement order issued by the State Water Resources Control Board (SWRCB) or a regional water quality control board may require each discharger to provide or pay for uninterrupted replacement water service to each affected public water supplier or private well owner. This bill also establishes a database collection system under the auspices of SWRCB for reporting on the storage of perchlorate.

**Last Action:** Chaptered by Secretary of State - Chapter 614, Statutes of 2003